Ground Water/UIC Section

Uranium In-Situ Solution Mining

Kingsville Dome's PA-3 Data Review Effort Prompted By a Citizen's Complaint - (A Work in Progress)



EPA, Region 6 Dallas, Texas

José Eduardo Torres
Petroleum Engineer
Chemical Engineer

The Uranium In-Situ Solution Mining Process (aka ISL or ISR)

Uranium ore may exist in drinking water aquifers from where it can be mined using an In-Situ Solution Mining Process. An oxidizing mining solution is injected through Injection Wells, and the generated uranium rich solution is pumped to the surface through Production Wells. Injection and Production Wells may be arranged in regular patterns within designated "Wellfields". The injected mining solution may impact the aquifer in all directions around the injection wells (radial flow may be possible inside the aquifer's rock formation, see Slide 3).

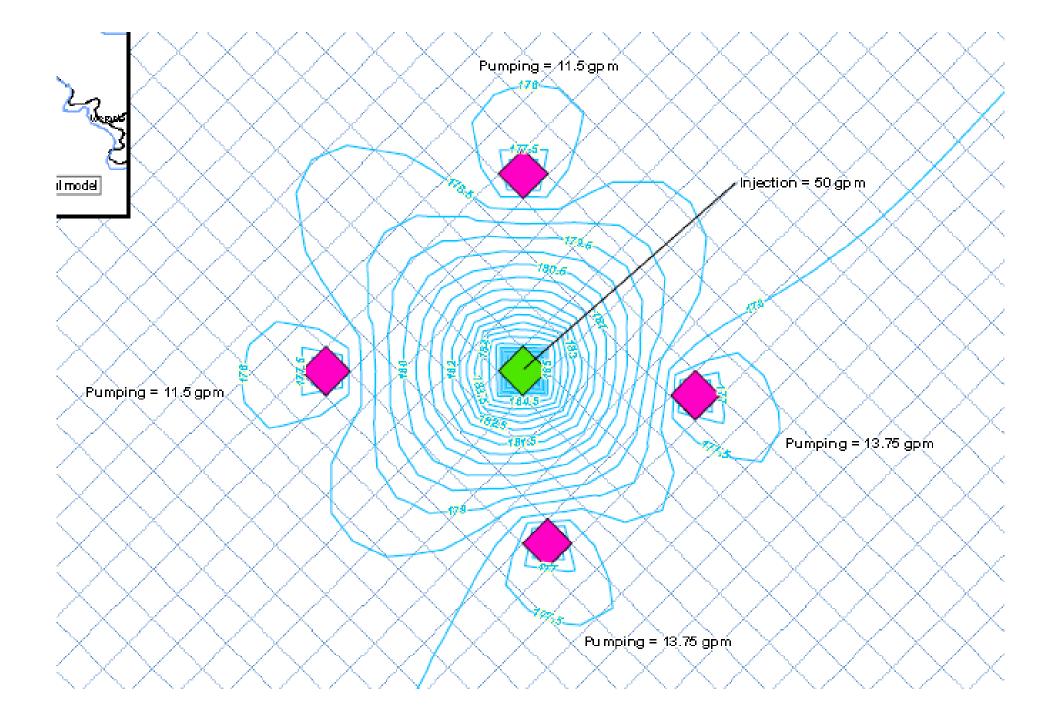
A ring of Monitoring Wells is installed around the Injection and Production Wells to assist in verifying that no mining solutions flow outside the boundaries of the intended mining area (verification of no excursions). Water Quality is determined at these Monitoring Wells (MWs) and other locations (using Baseline (BL) Wells), prior to the initiation of mining operations, in order to determine the aquifer's baseline (pre-mining) Water Quality conditions.

Slides 4, 5 and 6 illustrate an oxygen supply system, a portion of a field's mining solution and oxygen distribution system and Injection and Production Wells (see highlighted wellheads).

The map in Slide 8 illustrates an actual Uranium in-situ Solution Mining operation: Production Area No. 3 (PA-3) at the Kingsville Dome (KVD) mining site in Kleberg County, TX. Based on this map, it can be said that in this operation the wells are not arranged in a regular pattern (Slides 3 and 7). Slide 9 illustrates a portion of the map in Slide 8. It provides a closer look at the Monitoring Wells and the Injection and Production Wells. It also illustrates the location of some Baseline Wells inside a "Wellfield" (presumably, an ore rich portion of the aquifer).

The Cross Section seen in Slide 10 illustrates the Pressure Gradients that should ideally be present within the mining area in a "Well Run" in-situ Solution Mining Operation. The above Pressure Gradients need to be carefully controlled in a way that prevents the movement of Mining Area Fluids past the Monitoring Wells (no excursions). In order to accomplish this, wells must be strategically located and injection and production rates must be carefully controlled so that critical flow patterns within the aquifer can be induced and maintained. Also, there must be an efficient Water Quality Monitoring Program in place for the Monitoring Wells, so that excursions can be detected. In addition, defining valid constituent Upper Control Limits is critical to the efficiency and success of the Water Quality Monitoring Program.

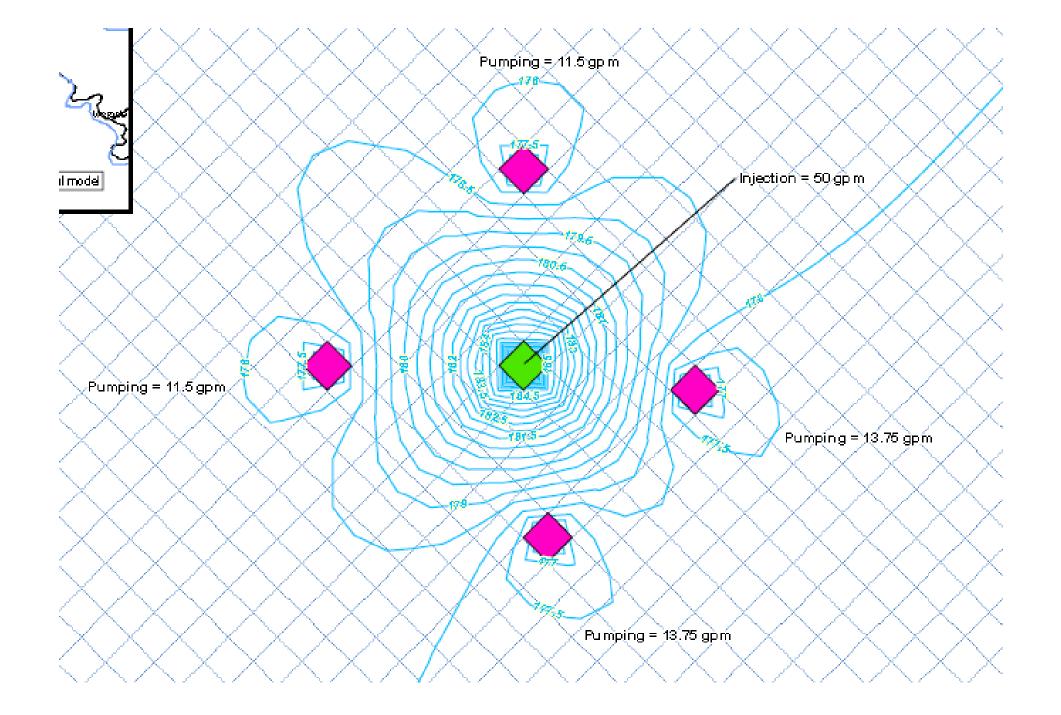
A "Well Run" uranium in-situ solution mining operation should result in the recovery of an essential energy mineral (seen in Slide 11) without detriment to ground water resources of drinking quality, which are indispensable for supporting healthy life in the surrounding areas.

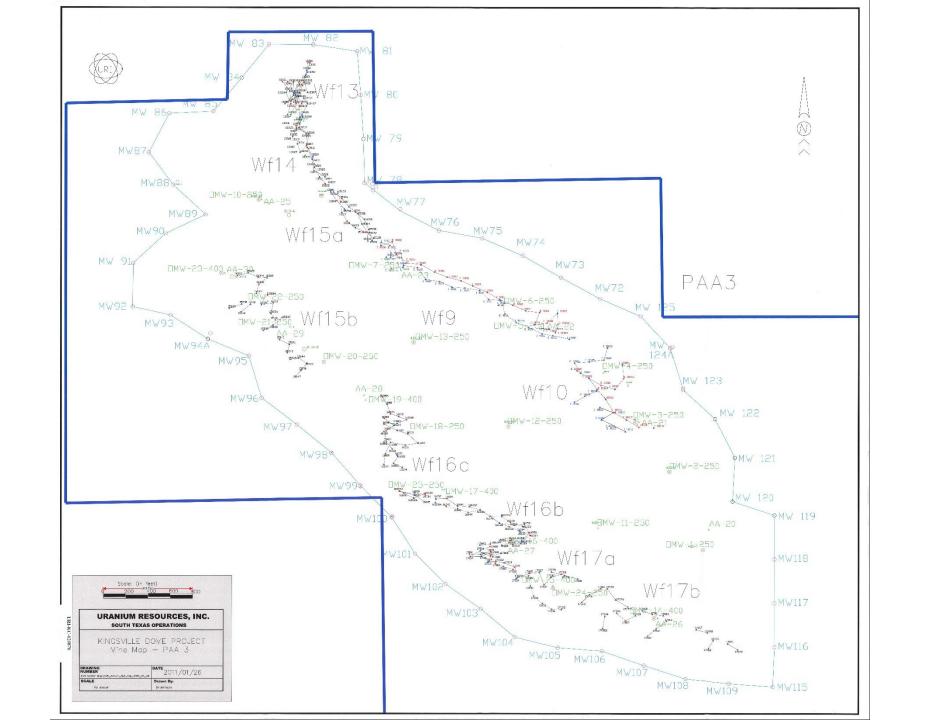


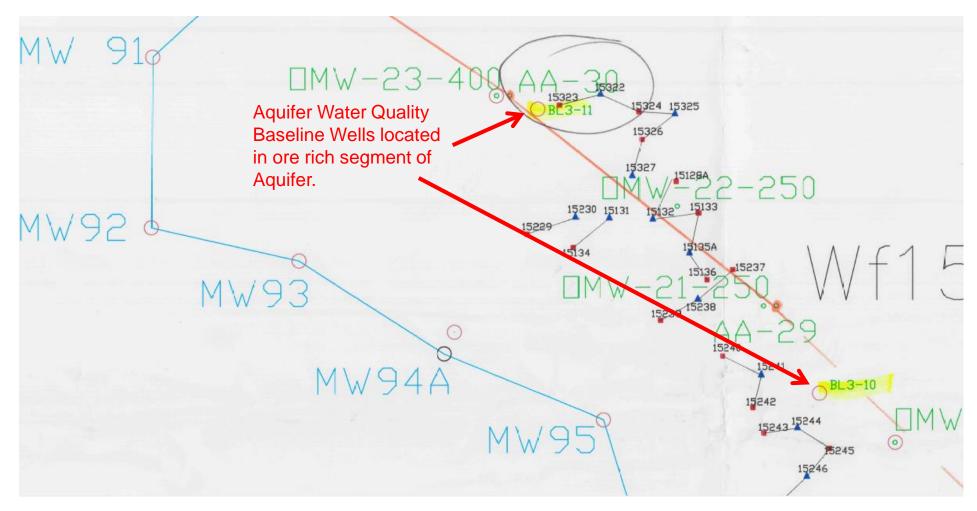










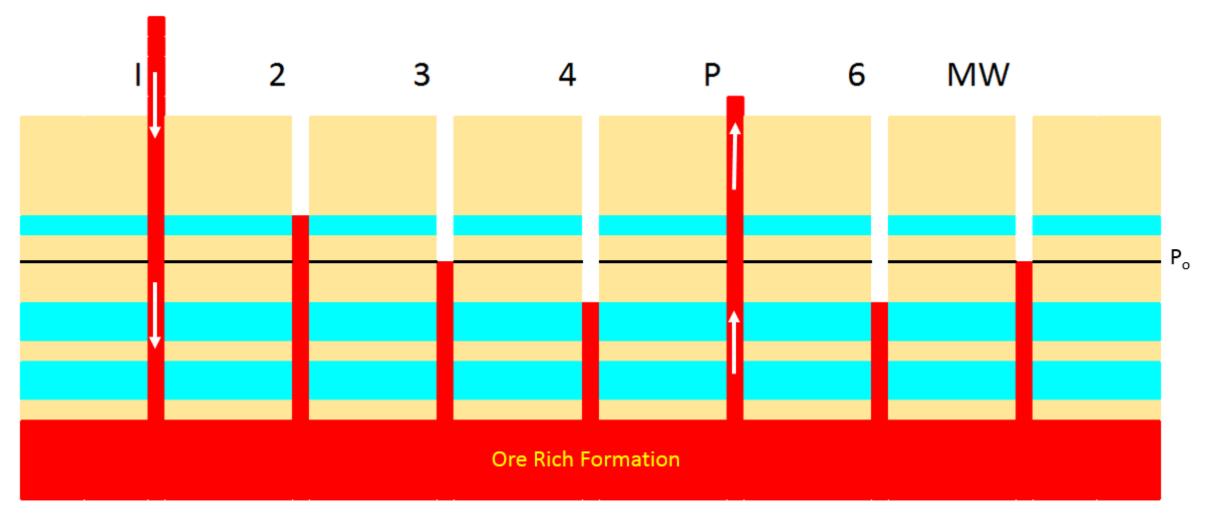


Segment of Well Field 15b of PA-3 in the KVD uranium mining site, Kleberg County, illustrating the location of two Water Quality Baseline Wells.

Lixiviant (Mining Solution) Injection Well

Hydrostatic Heads in a Well Run Uranium In-Situ Solution Mining Operation

(Graph not to Scale, does not attempt to account for Natural Aquifer Pressure Gradient Effects)



I: Injection Well
P: Production Well

MW: Monitoring Well
Po: Initial Res. Press.





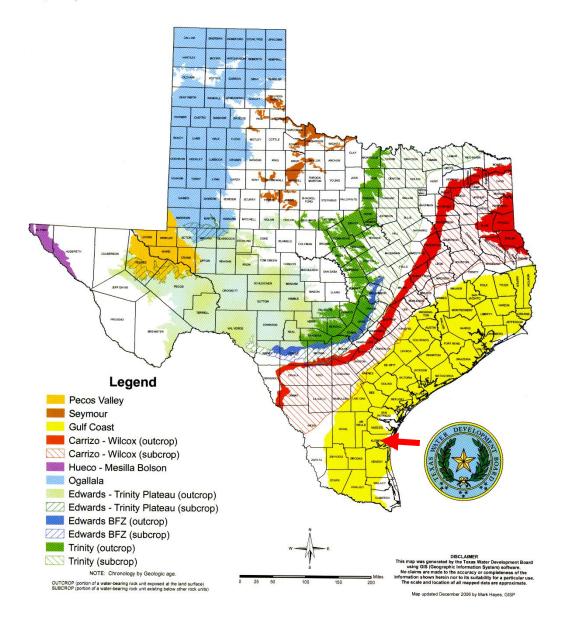
The Garcia Hill Area and Production Area No. 3 (**PA-3**) of the Kingsville Dome (KVD) Mining Site, Kleberg County, TX

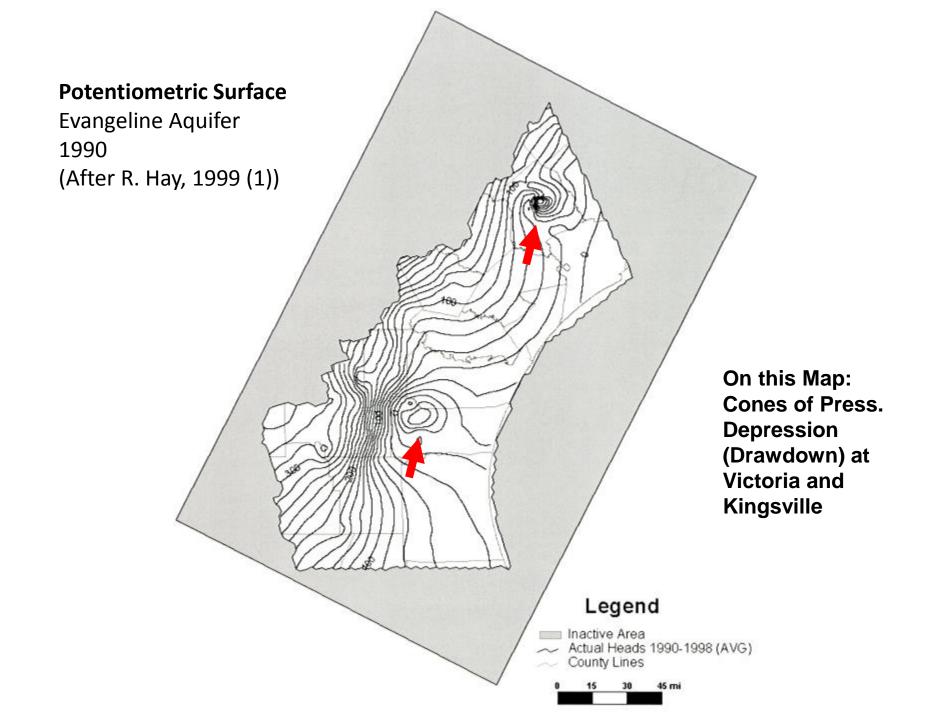
The KVD mining site is located just East of the town of Ricardo in Kleberg County, Texas. Uranium in-situ solution mining operations at this site have taken place in the Goliad Aquifer. This aquifer is part of the Evangeline Aquifer, found within the Gulf Coast Aquifer (see Slide 13). Within the potentiometric surface illustrated in Slide 14, cones of depression (red arrows) can be seen, which point to the ground water operations that supply the cities of Victoria, to the North, and Kingsville to the South. The KVD site is located (see Slide 15) within the city of Kingsville cone of depression.

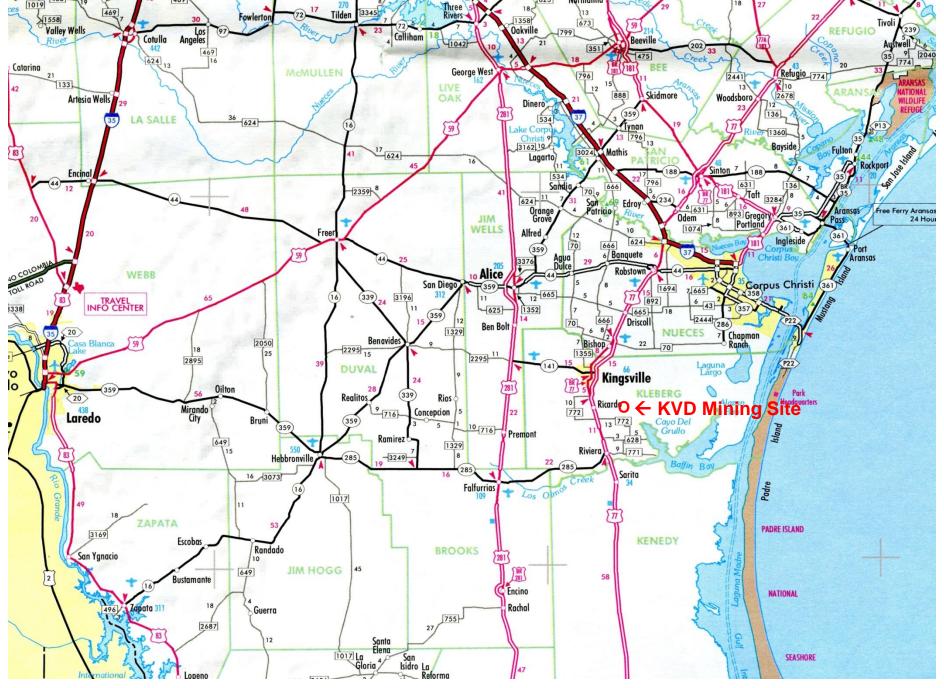
Slide 16 illustrates the site's permitted area and the red arrows point to the location of the drinking water supply wells of most interest to this work: Garcia Hill wells W-20, W-24 and W-25. Slide 17 shows the Garcia family's acreage adjacent to the mining site. Pictures of the above wells' locations can be seen in Slides 18, 19, 20, 21 and 22.

The mining site is operated by Uranium Resources, Inc. (URI).

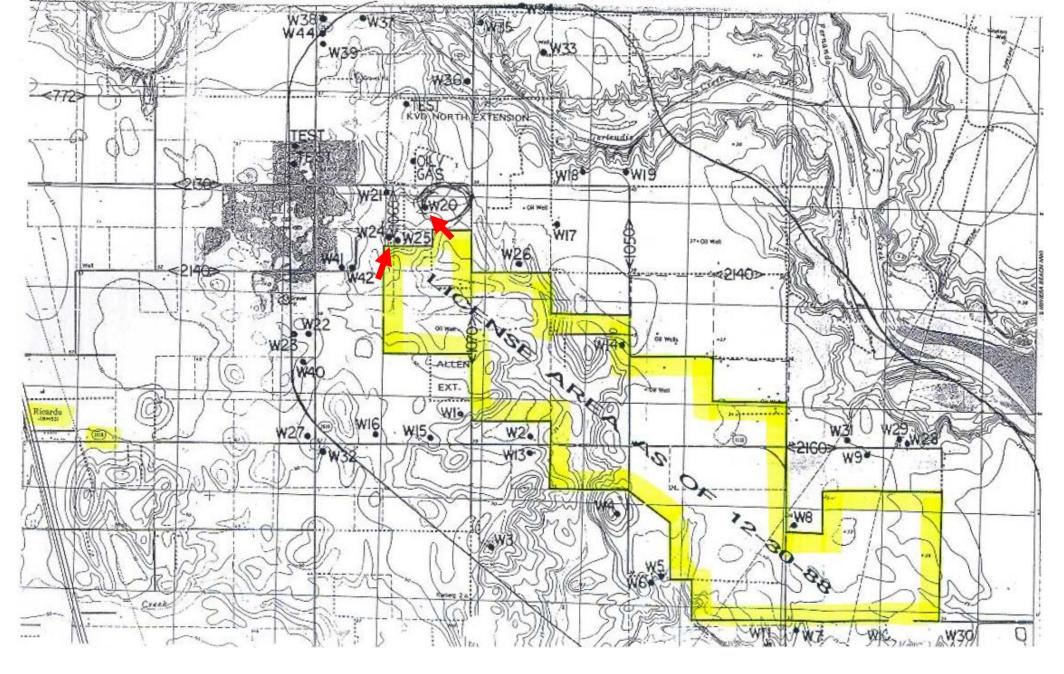
Major aquifers of Texas.

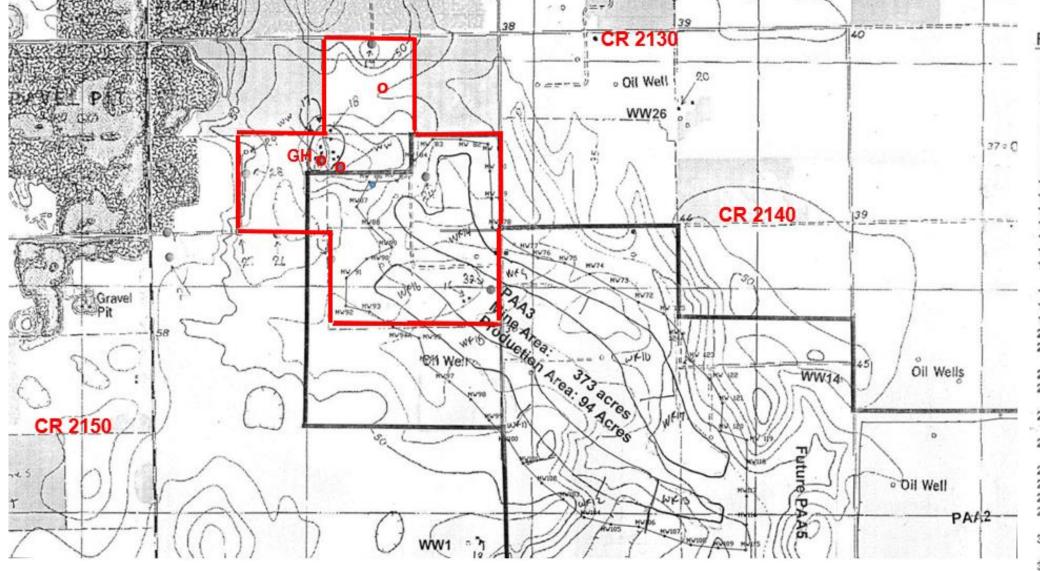






The red arrow points to the approximate location of the Kingsville Dome (KVD) Mining Site





Jointly Prepared Map

(The numbers near well locations refer to sequential list of residents' names, not well IDs)

(The location of the Garcia Hill water supply wells is marked by the red circles)

RESIDENCES

- 1 Mrs. A. M. Cumberland
- 2 Mr. and Mrs. Palereio
- 3 Mr. and Mrs. Fred Radford
- 4 Mr. and Mrs. Santiago De La Rosa
- 5 Mr. and Mrs. Johnny Robertson
- 6 Mr. and Mrs. Bippert
- 7 Perez Family
- 8 May Family
- 9 Mr. and Mrs. Canales
- 10 Mr. and Mrs. Harry Anthony
- 11 Dr. and Mrs. Perez
- 12 Dietz Home
- 13 Mrs. W. E. Cumberland
- 14 Mr. and Mrs. Gerald Cumberland
- 15 Mr. and Mrs. Doyle Dryer
- 16 Mr. and Mrs. Candilario Benavente (7 adults and children)
- 17 Garcia Hill (19 adults and children)
- 18 Mr. and Mrs. Carlos Ortegon
- 19 Mr. and Mrs. Baldemar Basaldua
- 20 Mrs. O. D. Rosser
- 21 Mr. and Mrs. Jaime Garcia (5 adults and children)
- 22 Hausler Family
- 23 Mr. and Mrs. John Cumberland (adults and children)
- 24 Mr. and Mrs. Adrian De La Paz (adults and children)
- 25 Ms. Thelma Bustamente (adult and children)
- 26 Mr. and Mrs. Reuben Bustamente
- 27 Mr. and Mrs. Tomas Garza
- 28 Mr. and Mrs. Luis Ortegon
- 29 Mr. and Mrs. Fermin Garza (adults and children)
- 30 Mr. and Mrs. Sonny Gonzales (adults and children)
- 31 Mr. and Mrs. Gary Underbrink
- 32 Perez Family (adults and children)
- 33 Jesse Jaime



Garcia Hill Well W-24 and Ground Water Production Gathering Station Red arrow points to the location of GH's original water supply well.



Garcia Hill Well W-25 - 02/11/2002



Garcia Hill W-20's Wellhead as seen on July 16, 2012



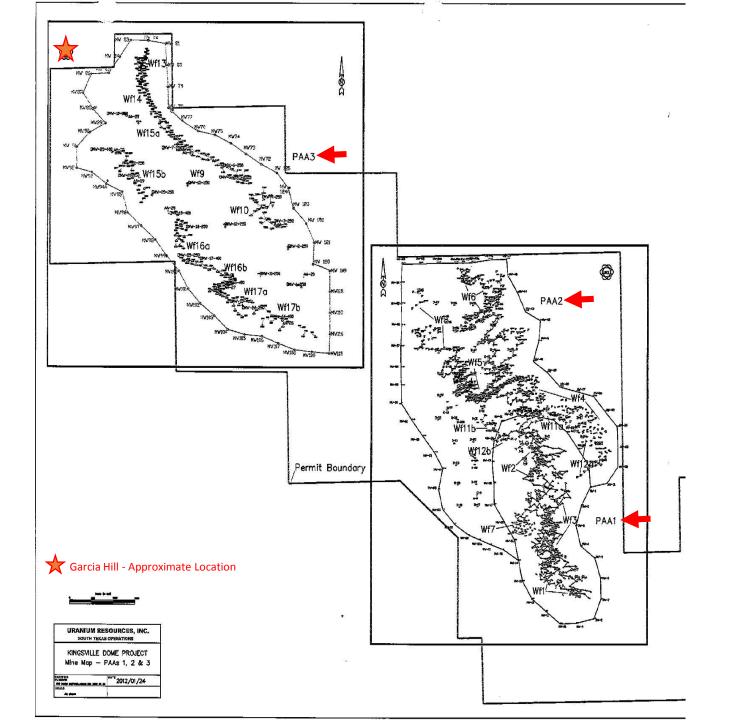


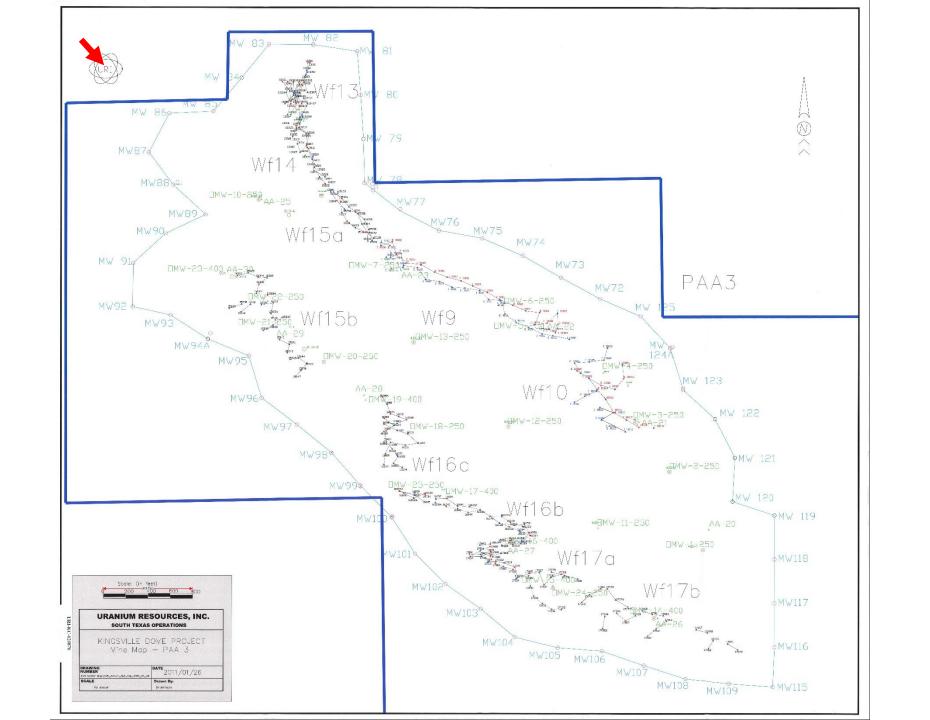
Slide 24 illustrates the location of the Production Areas that make up the KVD mining site. Uranium concentrations in the ground water produced at the Garcia Hill wells W-24 and W-25 have increased above baseline conditions since 1997, North and downgradient of KVD's PA-3. The analysis of field data, following citizens' complaints, brought up suspicions of a possible connection between the mining operations at PA-3 and the observed increased uranium concentrations in the Garcia Hill drinking ground water.

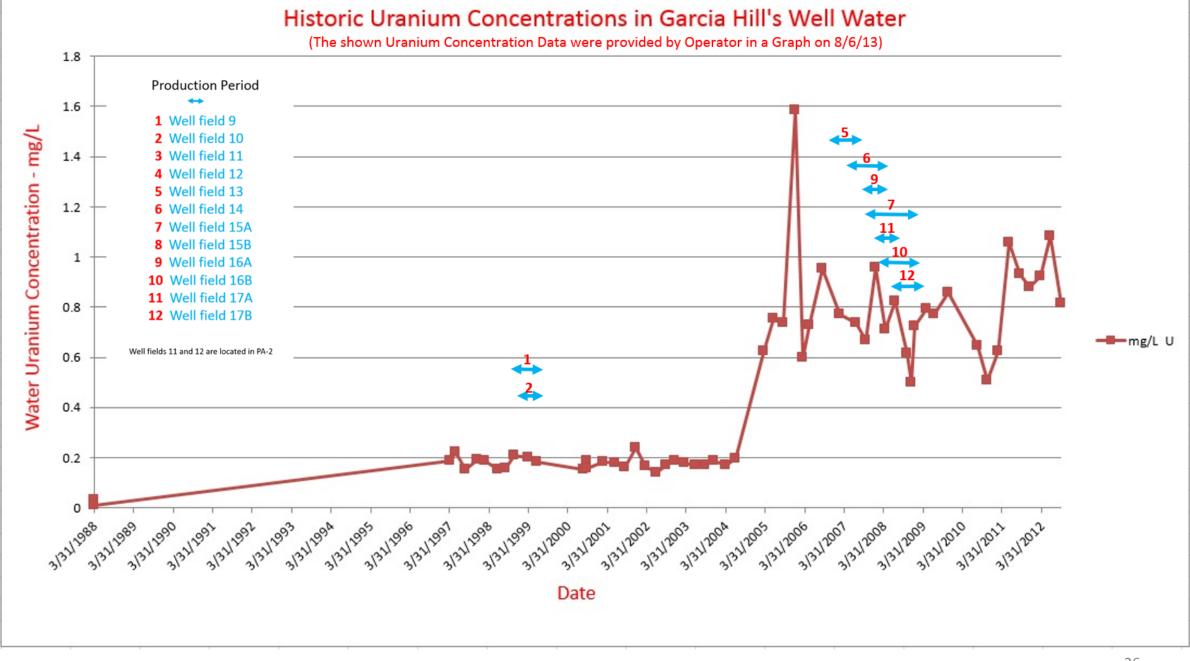
Slide 25, a replica of Slide 8, shows the location of PA-3's Wellfields. The red arrow in Slide 25 points to the approximate location of the Garcia Hill community. Slide 26 illustrates the uranium concentration history in the Garcia Hill ground water provided by the mine operator, URI, in August, 2013. The double headed arrows in Slide 26 show the periods during which mining operations were conducted in the Wellfields illustrated in the map in Slide 25. Slide 27 also illustrates the uranium concentration history of the Garcia Hill ground water, based on data provided by Dr. Richard Abitz on 10/21/12. The schedule of operations detailed in Slides 28 and 29 was used to complete the graph in Slide 26.

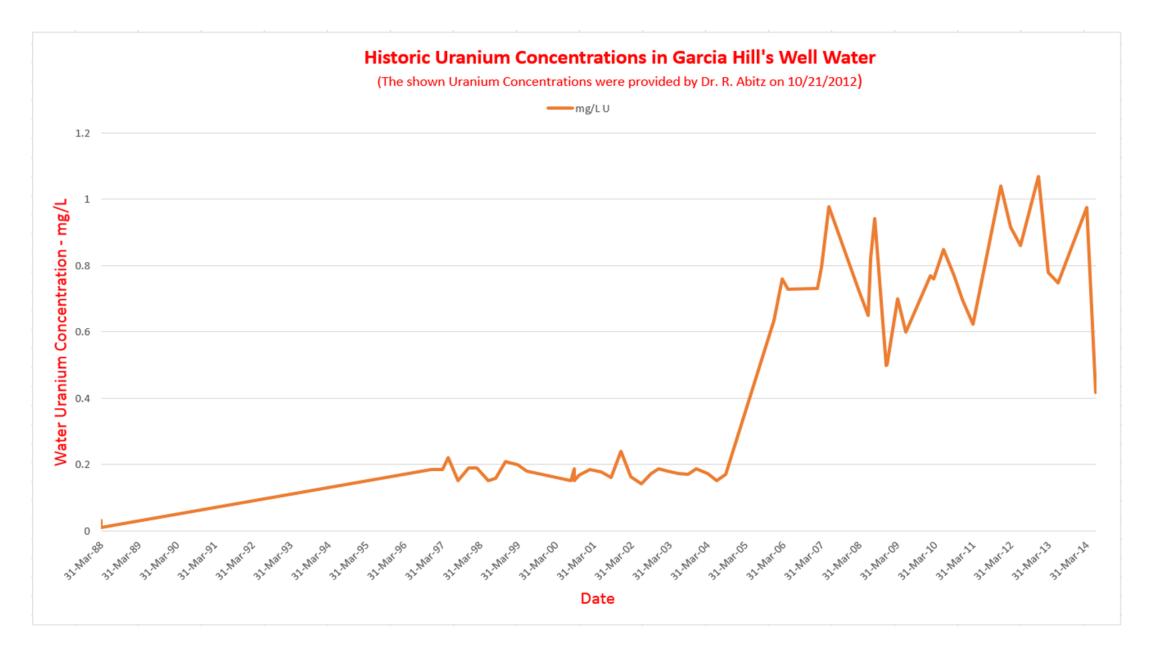
The ground water uranium concentrations history seen in Slides 26 and 27 indicates that the first abrupt change in concentrations followed intense exploratory drilling operations in the area. The second abrupt change in uranium concentrations was observed some time after mining operations had taken place in Wellfields 9 and 10. The above information suggests that the impact of subsequent mining operations on the ground water uranium concentrations has not been detected at Garcia Hill as yet. Seven Wellfields were mined after operations were suspended at Wellfields 9 and 10 in PA-3, and another abrupt change could potentially be added to the curve in Slide 26, should Water Quality monitoring be continued through the years at, or near, the GH W-24 well.

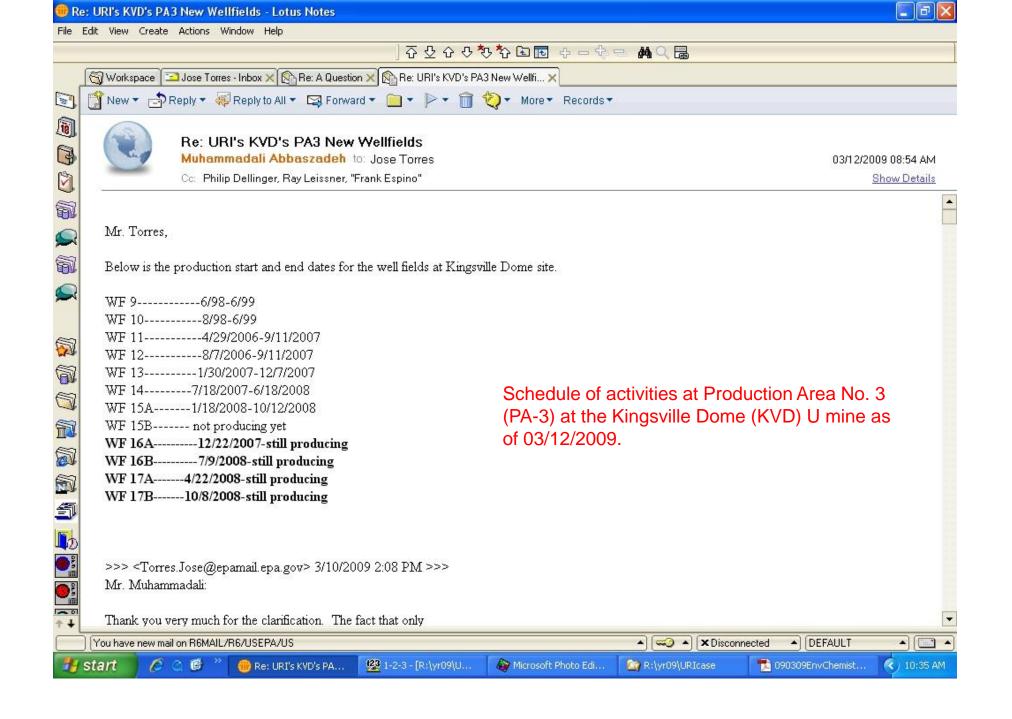
Well Fields in Production Areas 1, 2 and 3 at KVD Uranium Mining Site











Production Schedule for KVD's Well Fields

1 Well field 9	06/09/1998 - 04/02/1999
2 Well field 10	07/29/1998 - 04/02/1999
3 Well field 11	04/07/2006 - 09/11/2007
4 Well field 12	08/07/2006 - 09/11/2007
5 Well field 13	02/12/2007 - 12/07/2007
6 Well field 14	07/19/2007 - 06/19/2008
7 Well field 15A	01/18/2008 - 06/17/2009
8 Well field 15B	No Mining Yet
9 Well field 16A	12/22/2007 - 07/09/2008
10 Well field 16B	07/10/2008 - 06/17/2009
11 Well field 17A	04/22/2008 - 10/07/2008
12 Well field 17B	10/08/2008 - 06/17/2009

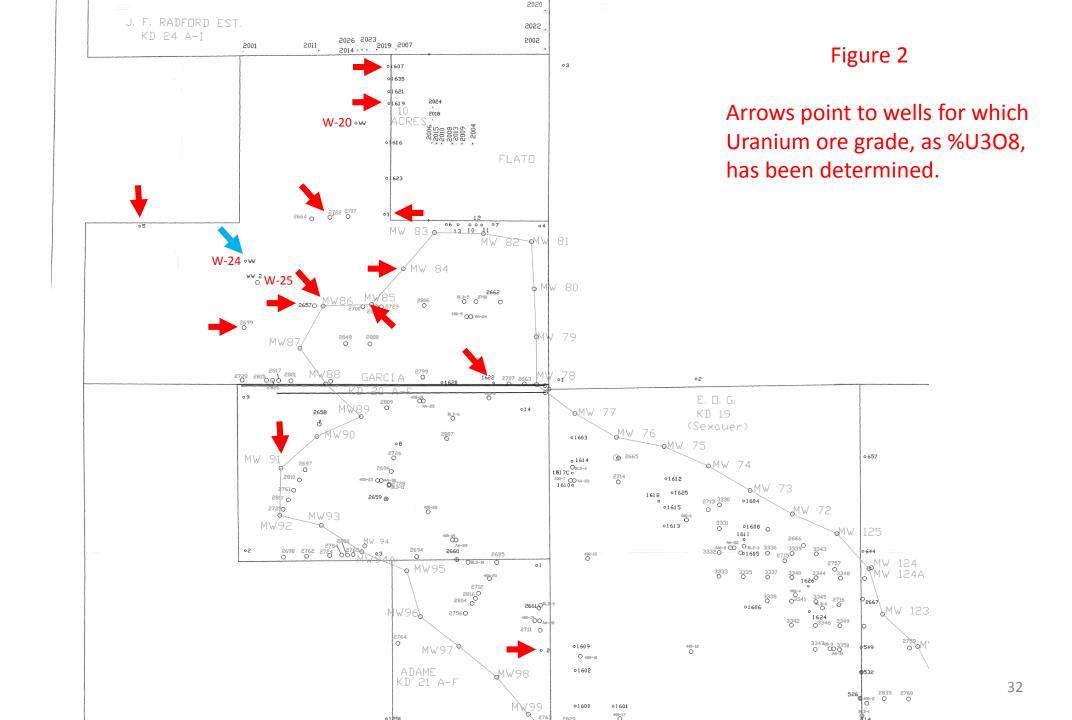
Slide 31 provides a summary of inter-well distances, developed as a guide for the selection of wells for which Gamma Ray Logs, water quality data and other information pertinent to this data review might be available. The group of wells for which Gamma Ray Logs were analyzed in the course of this data review are highlighted by the arrows in the map in Slide 32.

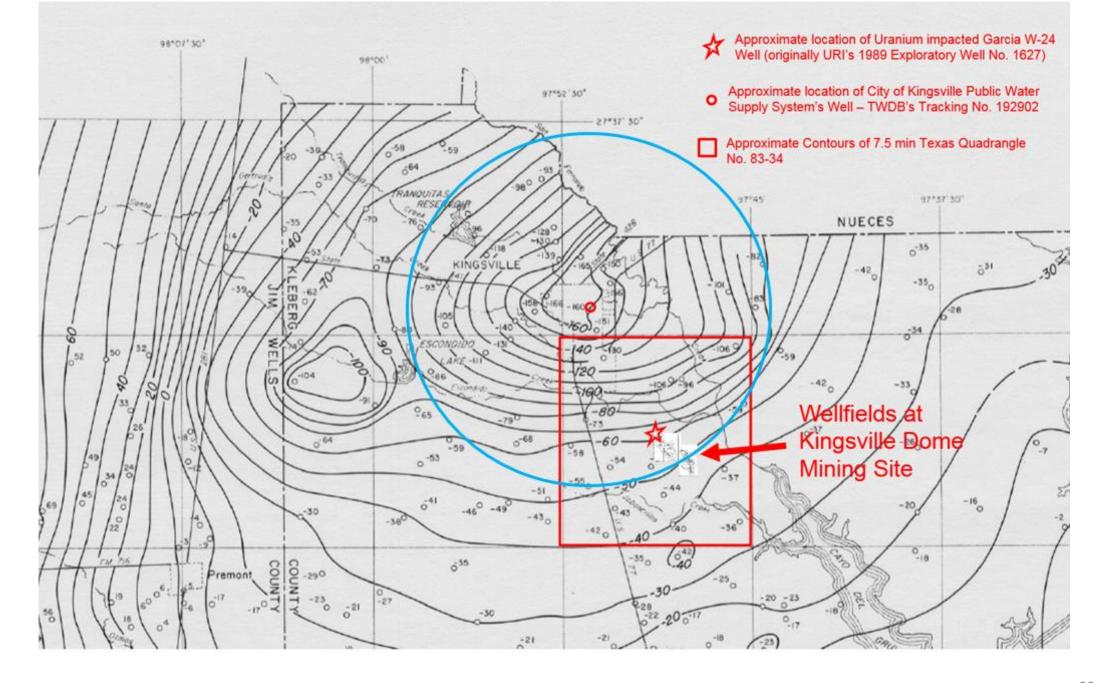
Slide 33 confirms the location of the Production Areas and Wellfields seen in Slide 24 within the cone of depression created in the Goliad Aquifer by the city of Kingsville's ground water supply system. It can be seen in this slide that the overall effects of a disturbance (a pressure drawdown due to water production in this case) introduced into the aquifer has an impact in all directions around the point of water production. In other words, these data show that a radial flow pattern is approached when water supply wells, completed in the Goliad Aquifer in this area, go on production.

The cross section seen in Slide 34 illustrates the formations of interest in this data review. Sands A and B are the uranium producing zones in PA-3.

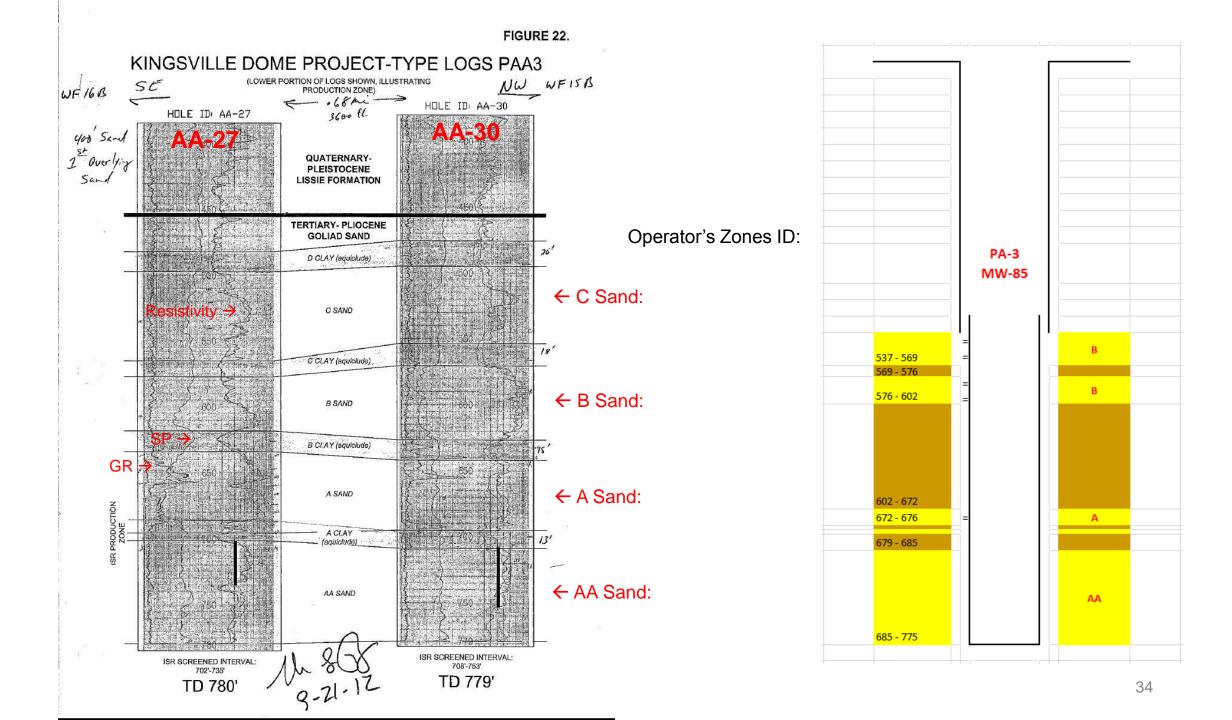
Estimated distances between Garcia Hill Wells and Key Locations at North end of PA-3

Well	Ft	Well	
W-25	582.7	MW-86	
W-24	749.8	MW-86	
W-25	653.3	MW-87	
W-24	857.9	MW-87	
	937.3	11111 52	
W-25	1562.4	W-20	
W-24	1476.6	W-20	
W-25	394.0	2699	
W-24	555.1	2699	
W-25	512.8	2657	
W-24	685.8	2657	
W-25	701.7	2664	
W-24	661.1	2664	
W-25	1830.6	2708	
W-24	1955.4	2708	





Approximate Potentiometric Surface, Goliad Aquifer, Kingsville Area, 1968-69 - TWDB Report 173 - 1973



The Goliad Aquifer's Baseline Water Quality in the Garcia Hill Area Part I

The baseline Water Quality conditions for the Garcia Hill community's ground water has been established on the basis of lab determination of Natural Uranium concentrations in mg/L. However, as can be seen in Slide 37, at times concentrations are given either in mg/L U3O8 equivalent, or in μ Ci/mL. Slides 38 and 39 illustrate how those reported results have been converted here to (mg Natural Uranium/L) for the purpose of this data review, and so that valid Water Quality comparisons can be made.

Slide 40 shows the current status of the first known Garcia Hill water supply well. The 1988 water sample, whose Lab results are illustrated in Slide 41, was collected at this well. This Lab report, along with the one seen in Slide 42, is part of the data set that has played an important role in establishing the baseline Water Quality conditions in the Goliad Aquifer in the Garcia Hill area.

The well seen in Slide 40 was plugged and abandoned (P&A'd) when URI converted its exploratory well 1627 to a water supply well (the GH W-24 well) in 1989. The Lab results seen in Slides 41 and 42 are plotted as the initial points in the graph in Slide 43, and are considered representative of the baseline Water Quality conditions at Garcia Hill, a determination validated through the analysis of a substantial amount of engineering data, as shown below.

The bar graph seen in Slide 44 depicts the Water Quality analysis results for a set of PA-3 Monitoring Wells located along the North border of the Monitoring Well Ring, all in the vicinity of the Garcia Hill area. The lab results for seven of these wells, documented in the operator provided map seen in Slide 45 and illustrated in Slide 46, stand below, or near, EPA's Uranium MCL of 32 µg/L.

Slide 47 illustrates the lab results for a Goliad Aquifer sample from a city of Kingsville Public Water Supply Well gathered on 9/12/2012. The reported Uranium concentration of $8.0 \mu g/L$ falls within the range of those observed in the Garcia Hill area before the aquifer was disturbed. The city of Kingsville facility where the sample was obtained, "EP004", is seen in Slide 48.

	PRESIDENT OF THE PROPERTY OF T						
Andrew Same Andrews	e andreweller i de 1922 - Leigher March (* 1918) Krafter (1948 - 1922)	Echebett	Kings	ville De			
	·	apravac					MARKEN CO
5/21/89	PH	Coxeduct	4300	NaHCoz	504	cl-	
orale Bries							
# 19 Huff	7.51	1991	0.12	432	248		
# 79	7.83	2/60	0.00	334	447		
5/22/81 CARCIA	7.74	1580	200	432	210		
# 69A Gnecia			0.05	460			
# 69B D. Rosse	7.86	1500	0.08	Ady (0:35	184		ed to
# 92 Collins	8,69	1590	0.00	376	187		
T+ 73	7.89	1420	0.10	488	104		
J. Lartin	7.83	2430	0.07	279	545		A Toronto
5/26/87	The state of the s				Paris		A - L
GARCIA # 690	7.97	1600	0.05	446	209		
H 76	7.84	1540	0.10	432	210	239	
Cambridge #	7.84	1170	0.07	474	156	246	
Williams 1	7.91	1800	0.00	460	179		
C. E. May 1	7.97	1730	0.08	418	241	Sat visit	Hall of the
A. SAINZAE 1	7.56	1710	0.03	446	100 July 244		
may # 152	7.92	1760	, 0.05	460	1001/84	Guardia de la composición della composición dell	
adford Windmilh	8.65	1630	0,00	302	35-X	11-049r	ALALANA.
	X	10		and the second			
14.			出版法	Evel appear	A Paroxi	Wet 8 h	
			75	A THE	Valu	W	STATE OF THE STATE OF
					Western Fr	Committee of the commit	
		INN -3 195	, 1111	*	EMON9 .	15.4	
	100	MEDIETT	1510	10000	Charles and the Control of the Control		
	u				MB 61 130 S	110T, 10	
	The state of the s			НЭМА	SOURCE WAT		in with the
				0.2	RECEIVED		

Form CRE-UR Rev. 09/01/95

RADIONUCLIDE SAMPLE AND ANALYSIS REPORT

TEXAS DEPTARTMENT OF HEALTH 1100 w. 49th STREET AUSTIN, TEXAS 78756



Bureau of Radiation Control	Burcau of Laboratories
gent Processing Authorized By:	 Chemical Analysis Also Performed
Routine Urgeni	Suspected Radionuciides:
cen scoff actity Name:	URANIUM, RADIUM
pense No: 3657	Drowlink, Poblow
te No: No. of Samples: of	
attor/Well No:	Check the required analyses:
ample Description: residential well	Radionuclide Analyses Units
ample Code:	Gamma Scan:
eason for Sampling: P 08-We ll	ucv
customer request	
ample Location:	uCV
Garcia Well	uc/
· '	ucv
Bill to : BRC	ucvucv
15111 60 : 13100	ucv
	ucv
ample Collection Date: 9-22-00 Time: 8am	ucv
	uc/
ample Collector Name: Robert Cooks wy	
adiation Survey of Sample: bKG uR/hr com	
otes:	Alpha Analysis:
The state of the s	ري _ Gross AlphauCi/
he following certify, by their signsture(s), that they were continuously in ontrol of this sample until transferred to the next indicated person:	Total Radium 8 x 16-10 ± 3 x 10-10 uCV ml
ı	Total Uranium 1.02 x 10 7 ± 3 x 10 9 uCV m1
ranster from To Date Time Sharon Fara S G-22-U 2 DM	
Farn's TDH Lab 9/02/00 1500	Beta Analysis: Gross BetauCV
The state of the s	OTribum uCV
The state of the s	
	Carbon-14uCV
ondition of Seals:	
Satisfactory Unsatisfactory	Alpha Spectroscopy:
Vet Weight	4-238 5.3×10-9 2 2×10-9 ucv ml
sh Weight Dry Weight	ucv
lotes:	1 1
certify that this sample was continuously in my custody from the lime	υC <i>U</i>
nd date of receipt listed hereon until the completion of laboratory	
natysis. Vuginia Kanmendienes 10/30/00	
Signature: VAGLACA TAMARICA CALA TOTAL	Regulatory limits WERE exceeded. Regulatory limits WERE NOT exceeded.
Date: Report NOV 13 2000	Signature:
Copies: Copies: Facility file	Oisposal:
Incident/complaint file	Rad Waste Non-Radioactive TRASH
Collector	To Licenses
14 & East CR 2170 111	And the second of the second o
14 8 East CIT 21/0	00015

Converting a Concentration Given as (mg U₃O₈/L) into (mg Natural U/L) Equivalent

(Natural Uranium has been assumed to consist of 100% U238 in the shown example)

$$0.05 \frac{\text{mg U}_3\text{O}_8}{\text{L}} * \left\{ \frac{1 \text{ mol U}_3\text{O}_8}{842,000 \text{ mg U}_3\text{O}_8} * \frac{3 \text{ mol U}_{238}}{1 \text{ mol U}_3\text{O}_8} * \frac{238,000 \text{ mg U}_{238}}{1 \text{ mol U}_{238}} \right\} = 0.042 \frac{\text{mg U}_{238}}{\text{L}}$$

Converting Alpha Spectroscopy Results Reported in µCi/mL to (mg Natural Uranium/L)

Radionuclide:	U-238	U-235		U-234	Natural U
Atomic Mass:	238.0289	235.0439299		234.040952	
Half-Life (Yrs):	4.47E+09	7.038E+08		2.46E+05	
Half-Life (Seconds):	1.41E+17	2.22E+16		7.74E+12	
Isotopic Abundance:	0.992746	0.0072		0.000054	1.000000
Specific Activity (Conversion Factor):	1.24E+04 dps/g	8.00E+04	dps/g	2.30E+08 dps/g	
	3.361E-07 Ci/g	2.162E-06	Ci/g	6.224E-03 Ci/g	6.853E-07 Ci/g
	3.361E-10 Ci/mg	2.162E-09	Ci/mg	6.224E-06 Ci/mg	6.853E-10 Ci/mg
	3.361E-04 μCi/mg	2.162E-03	μCi/mg	6.224E+00 μCi/mg	6.853E-04 μCi/mg
	3.361E+02 pCi/mg	2.162E+03	pCi/mg	6.224E+06 pCi/mg	6.853E+02 pCi/mg
ALPHA SPECTROSCOPY RESULTS	for Garcia Hill Concr	ete Tank Sample of 1	2/20/2012	:	
Radionuclide:	U-238	U-235		U-234	Natural U
Reported Concentration (µCi/mL):	2.40E-09 μCi/ml	1.80E-10	μCi/mL	5.20E-09 μCi/mL	
	2.40E-06 μCi/L	1.80E-07	μCi/L	5.20E-06 μCi/L	
Converted Concentration (mg/L)	0.007 mg/L	0.000083	mg/L	0.000001 mg/L	0.007 mg/L
Converted Concentration (µg/L)	7.1 μg/L	8.33E-02	μg/L	8.35E-04 μg/L	7.2 μg/L



Top view of the irregular concrete slab marking the location of the original GH W-24. The well had a TD of "700 to 800 Ft", per the Garcia family. It was P&A'd in 1989 at the time URI drilled and converted the replacement W-24.

Re: Exploratory drilling took place at KVD between 01/07/96 – 06/05/97

"A total of 1046 exploratory wells were drilled prior to 02/28/1997", per citizen's account.

Lab Report for Garcia Hill Well prior to Above Exploratory Drilling

TEL. 512-884-0371

PO BOX 2552 78403

ANALYSIS DATE · 4-04-88

4-27-88

JORDAN LABORATORIES, INC. CHEMISTS AND ENGINEERS CORPUS CHRISTI, TEXAS MAY 12, 1988

URI, INC. 12377 MERIT DR., SUITE 750, LB14 DALLAS, TEXAS 75251

REPORT OF ANALYSIS

DENTIFICATION: A. GARCIA
3-31-88
03/31/88

PH ----- 8.19 SPECIFIC CONDUCTANCE 1640 UMHOS/CM @ 25 DEG.C.

MG/L

eg seg

974	4-11-88
0.003	4-08-88
<0.01	5-03-88
0.01	5-03-88
0.003	4-08-88
0.011	4-18-88 ← Below MCL
	0.003 <0.01 0.01 0.003

GROSS ALPHA ACTIVITY, PCI/L	9.2 +/- 11	4-27-88
GROSS BETA ACTIVITY, PCI/L	6.3 +/- 6.2	4-27-88
RADIUM 226, PCI/L	1.1 +/- 0.2	4-13-68
THORIUM 230, PCI/L	-0.4 +/- 0.7	5-12-68

LAB. NO. M26-2219

Natural Uranium Concentration this sample:

0.011 mg/L

RESPECTFULLY SUBMITTED,

Carl F. CROWNOVER

JORDAN LABORATORIES, INC. CHEMISTS AND ENGINEERS CORPUS CHRISTI, TEXAS MAY 12, 1988

URI, INC. 12377 MERIT DR., SUITE 750, LB14 DALLAS, TEXAS 75251

REPORT OF ANALYSIS

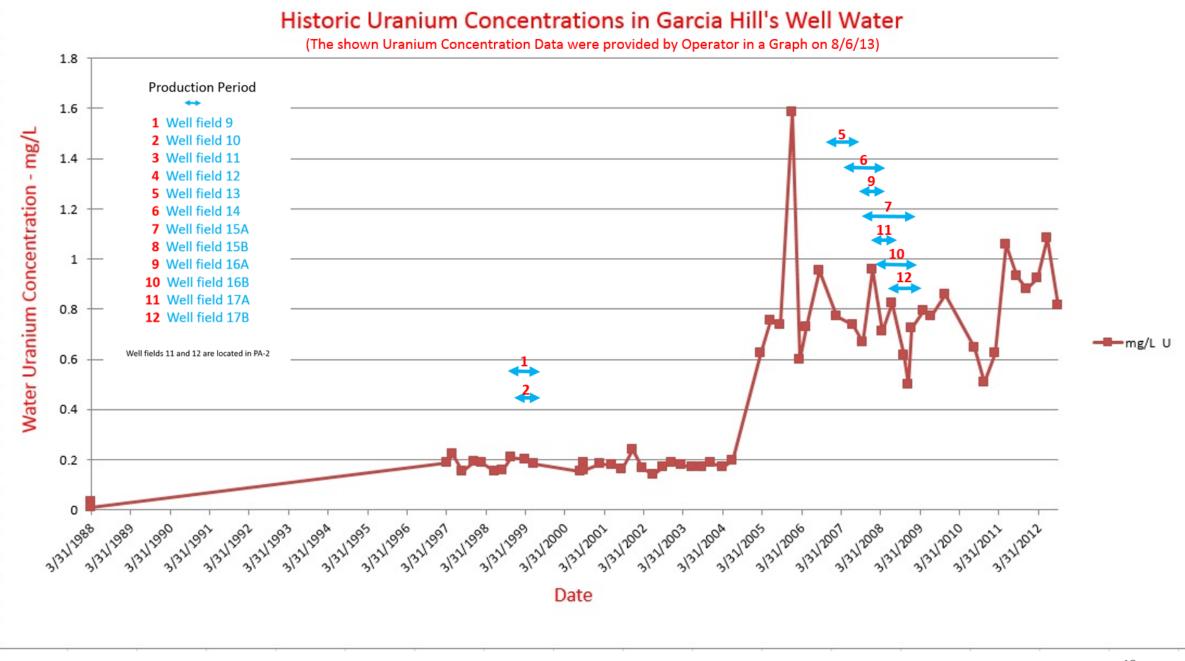
IDENTIFICATION: Y.C. GARCIA 3-31-88

			ANALYSIS DATE
	PH 8.24 SPECIFIC CONDUCTANCE 1550 UMHOS/CM @ 25 DEG.C.		4-04-88 4-27-88
		MG/L	
go go	TOTAL DISSOLVED SOLIDS (180 DEG.C.)	858 <0.001 <0.01 0.08 0.010 0.032	4-11-88 4-08-88 5-03-88 5-03-88 4-08-88 4-18-88
e e	GROSS ALPHA ACTIVITY, PCI/L 22 +/- 13 GROSS BETA ACTIVITY, PCI/L 21 +/- 7 RABIUM 226, PCI/L 3.2 +/- 0.2 THORIUM 230, PCI/L 0.6 +/- 0.9		4-27-88 4-27-88 4-13-88 5-12-88

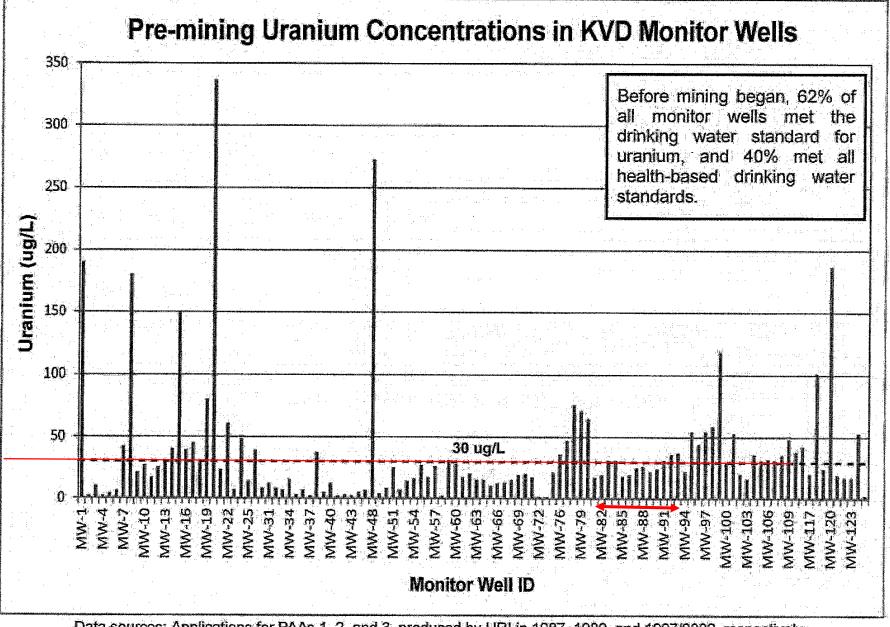
LAB. NO. M26-2220

RESPECTFULLY SUBMITTED,

CARL F. CROWNOVER



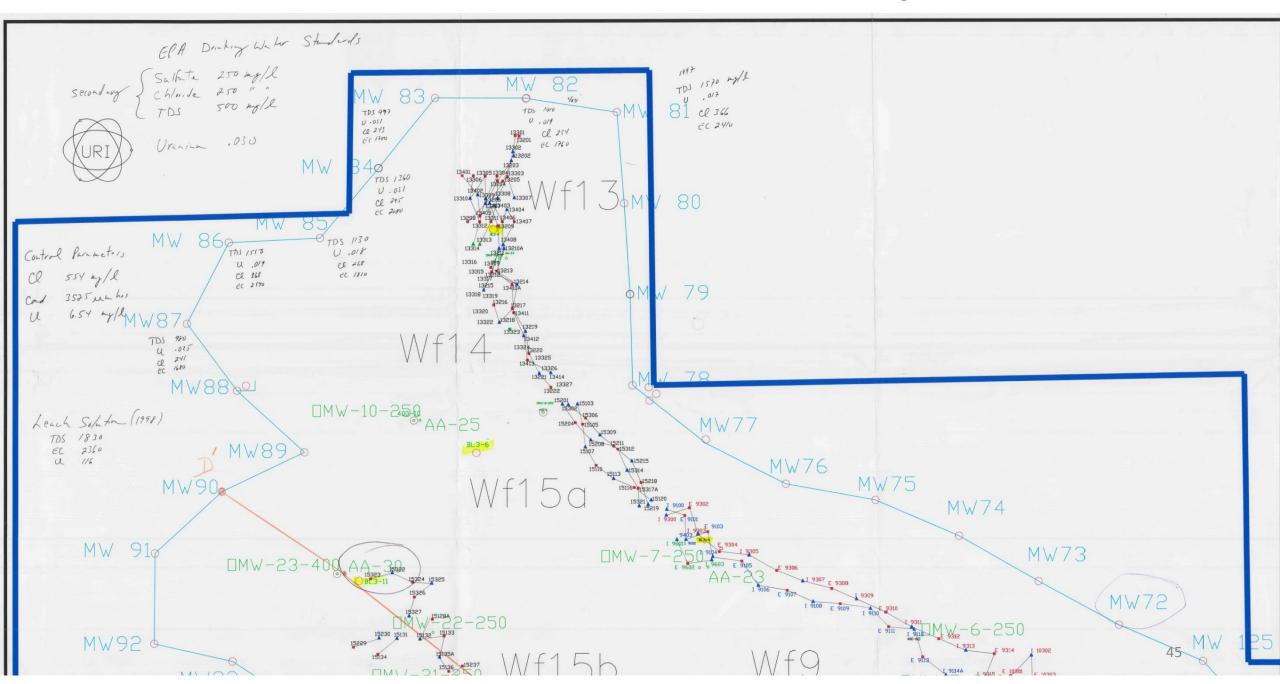
Uranium concentrations in water samples from the **North Monitoring Wells** (the closest to Garcia Hill and to this work's selected wells) stood at near or below the standard of 30 μ g/L.



Data sources: Applications for PAAs 1, 2, and 3, produced by URI in 1987, 1989, and 1997/2002, respectively.

Monitoring Wells MW-81 through MW-93, located near GH, show water Uranium content at or below MCL.

Handwritten PA-3 Water Uranium Concentrations for North Monitoring Wells, Near Garcia Hill



Pre-Mining Uranium Concentrations in PA-3's Northernmost Monitoring Wells

Monitoring Well Number	Baseline Uranium Concentration
	mg/L
MW-81	0.017
MW-82	0.019
MW-83	0.031
MW-84	0.031
MW-85	0.018
MW-86	0.019
MW-87	0.025
Source: Handwritten r	notes on Operator provided map

One Rare Analysis for Uranium for a City of Kingsville's Public Water Supply Well



Safe Drinking Water Information System (SDWIS)

Report generated on: 9/12/2012

 Radionuclide Results Report: CITY OF KINGSVILLE PWSID TX1370001 for samples collected between 1/1/2000 and 9/12/2012

Report Description: Detailed Radionuclide result for a system by entry point and sample given a user defined date range and PWS ID.

CITY OF K	INGSVILLE (TX1370001) - EP004 "GST" 1/1/200	00 - 9/12/2012				
TCEQ ID	LAB ID	TEST NAME	RESULT UNIT OF ME	SAMPLE DATE	SYSTEM ID	CONT ID	POC 1
1153870	AB54309	Gross Alpha, Incl. Radon & U	15.4 pCi/L	04/20/2011	1370001	4002	EP004
1153870	AB54309	Gross Beta Particle Activity	7.4 pCi/L	04/20/2011	1370001	4100	EP004
1153870	AB54309	Radium-226	Non-Detect	04/20/2011	1370001	4020	EP004
1153870	AB54309	Radium-228	Non-Detect	04/20/2011	1370001	4030	EP004
1153870	AB54309	Uranium-238 ←	2.7 pCi/L	04/20/2011	1370001	4009	EP004
1153870	AB54309	Uranium-234 ←	6.5 pCi/L	04/20/2011	1370001	4007	EP004
1153870	AB54309	Uranium-235 ←	Non-Detect	04/20/2011	1370001	4008	EP004
	JGAC 002/1990 C-00-02/	Combined Uranium	8.0 µg/L				
		Gross Alpha, Excl. Radon & U	10.0 pCi/L				
		Combined Radium (-226 & -228)	Non-Detect				
0828826	AA51939	Gross Alpha, Incl. Radon & U	10.1 pCi/L	02/12/2008	1370001	4002	EP004
0828826	AA51939	Gross Beta Particle Activity	5.4 pCi/L	02/12/2008	1370001	4100	EP004
0828826	AA51939	Radium-226	Non-Detect	02/12/2008	1370001	4020	EP004
0828826	AA51939	Radium-228	Non-Detect	02/12/2008	1370001	4030	EP004
		Combined Radium (-226 & -228)	Non-Detect				
0525248	EP506258	Gross Beta Particle Activity	10.3 pCi/L	03/07/2005	1370001	4100	EP004
0525248	EP506258	Radium-226	Non-Detect	03/07/2005	1370001	4020	EP004
0525248	EP506258	Radium-228	Non-Detect	03/07/2005	1370001	4030	EP004
0525248	EP506258	Gross Alpha Particle Activity	11.9 pCi/L	03/07/2005	1370001	4109	EP004
	EP204782	Gross Beta Particle Activity	9.2 pCi/L	03/12/2002	1370001	4100	EP004
	EP204782	Radium-226	Non-Detect	03/12/2002	1370001	4020	EP004
	EP204782	Radium-228	Non-Detect	03/12/2002	1370001	4030	EP004
	EP204782	Gross Alpha Particle Activity	12.2 pCi/L	03/12/2002	1370001	4109	EP004



The Goliad Aquifer's Baseline Water Quality in the Garcia Hill Area Part II

Like Slide 32, Slide 51 illustrates the wells for which GR Log analysis was conducted (see arrows). The GR Log analysis work performed for these wells was described in detail in an 11/21/14 (141121....) document provided to the Kleberg County citizens who requested technical assistance with information on uranium ore grades in the Garcia Hill area. A summary of the estimated uranium ore grade values, expressed as %U3O8, for these wells is shown in Slide 52.

The information in Slide 53 was used to develop an idea of the meaning of the above estimated ore grade values by comparing them to ore grade values that define an economically viable Uranium mine. The bar graph in Slide 54 helps understand how close each one the above wells came to being in a Uranium mine, in the sense described in Slide 53.

The information in Slide 53 also helps visualize the connection between the observed Uranium concentrations in the ground water and the estimated grade of the ore present in the formation containing that water, that is, before the aquifer was disturbed. Based on these observations, it can be said that the estimated uranium ore grade values validate the estimated baseline Water Quality conditions in the area where these wells are located, the Garcia Hill area, and the assessment that this is drinking water.

Slide 55 illustrates how the uranium ore values computed during this data review exercise compare to those values computed by consulting firm Computer Logging Incorporated. This exercise most definitely validates the used engineering evaluation approach for determining uranium ore grades from GR Logs. Details on the hereby used evaluation approach, contained in an Excel computer program, are provided in Slides 56 and 57.

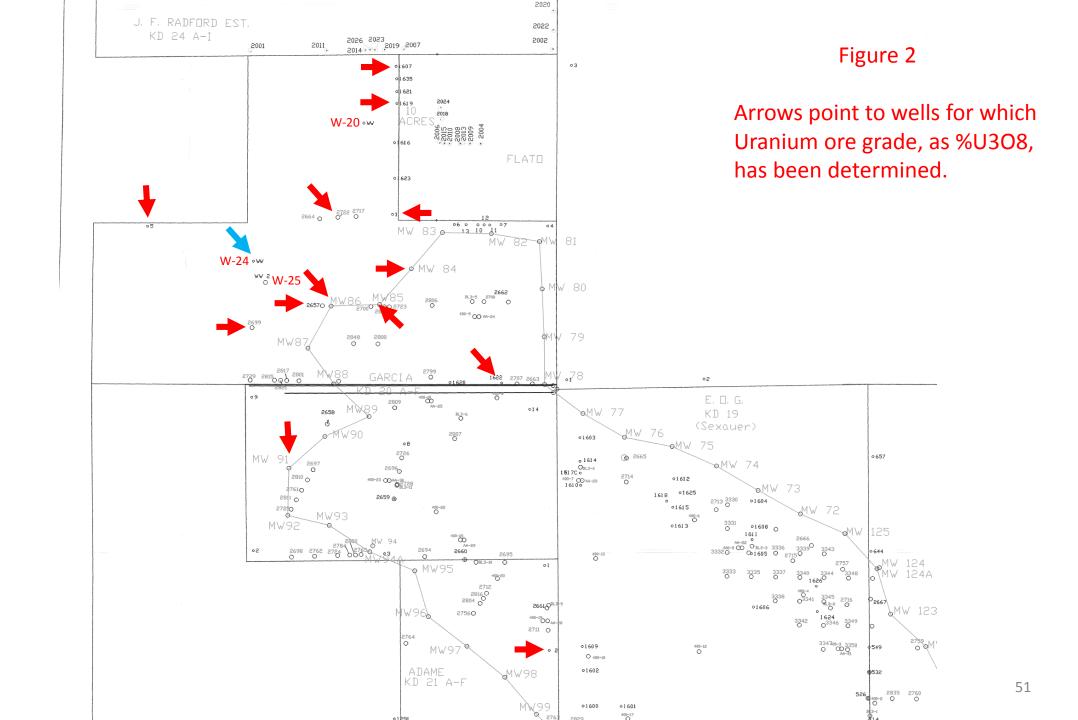


Table II.- Summary of Highest Uranium Ore Grade Values Estimated from GR Log Readings for the Selected Garcia Hill Area Wells

	GH W-24	Garcia 2699	Garcia 2657	MW-86	Garcia 2722	Garcia 5	Garcia 1	MW-84		Expl G1607	Expl G1619	Expl G1622
Ft From GH W-24	0	547	681	739	787	915	1207	1302	Ft From GH W-20 (approx.)	550	335	2500
(approx.) "B" Sand Interval?	Yes 508 - 621	Yes 562 - 633	Yes 550 - 634	Yes 535 - 629	Yes 538 - 606	Yes 555 - 628	Yes 530 - 600	Yes 538 - 615	(approx.)	330	333	2300
"B" Sand Highst. Ore Grade Read (%eU3O8)	0.0030 @ 575.0	0.0062 @ 573.5	Essentially Flat GR Curve	0.0025 @ 564.5	0.0281 @ 554.5	Essentially Flat GR Curve	<mark>0.0071</mark> @ 554.0	<mark>0.0076</mark> @ 577.0	"B" Sand Highst. Ore Grade Read (%eU3O8)	0.0100 @ 553.5	0.0229 @ 572.0	0.1572 @ 585.5
"A" Sand Interval?	Yes 625 - 691	Yes 643 - 705	Yes 640 - 663	Yes 640 - 670	Yes 611 - 650	Yes 640 - 692	Yes 611 - 678	Yes 661 - 675				
"A" Sand Highst. Ore Grade Read (%eU3O8)	Essentially Flat GR Curve											
"AA" Sand Interval?	Yes 695 - 747	Yes 709 - 780	Yes 692 - 761	Yes 688 - 719	Yes 686 - 780	Yes 695 - 750	Yes 681 - 762	Yes 678 - 773				
"AA" Sand Highst. Ore Grade Read (%eU3O8)	Essentially Flat GR Curve	0.0035 @737.5	0.0055 @ 746.5	Essentially Flat GR Curve	"AA" Sand Highst. Ore Grade Read (%eU3O8)	0.0438 @ 729.0	0.0071 @ 726.0					
Initial U mg/L	0.032 0.011	Drilled & Abandoned	Drilled & Abandoned	0.019	Drilled & Abandoned	Drilled & Abandoned	Drilled & Abandoned	0.031		Drilled & Abandoned	Drilled & Abandoned	PA-3 Producer 13222?
All Distances	and Depths	are approxim	ate.									

The economic evaluation of the Roca Honda uranium resource was prepared under the supervision of Stuart E. Collins of Roscoe Postle (USA) Ltd., Lakewood, Colorado. Mr. Collins is a Registered Professional Mining Engineer in the state of Colorado, and is a registered member of the Society for Mining and Metallurgy, and Exploration, and an independent and Qualified Person as defined in NI 43-101.

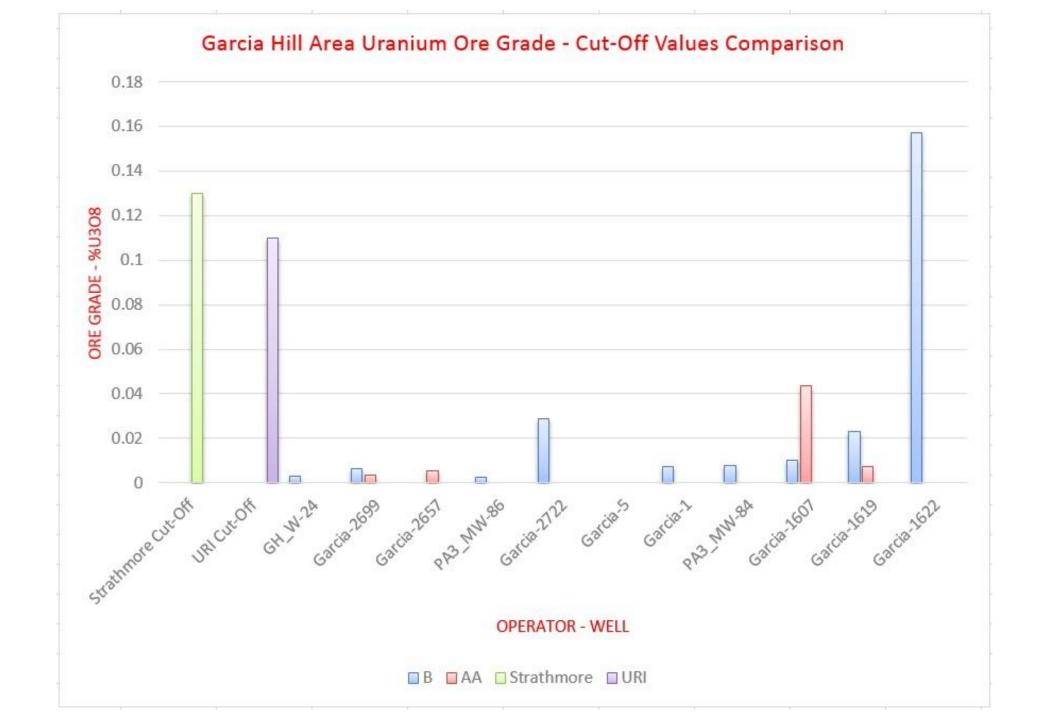
Summary of Roca Honda Mineral Resources as at August 9, 2011: Measured and Indicated Resources:

Classification	Tons	Grade % U ₃ O ₈	Lb U ₃ O ₈
Measured	284,000	0.395	2,247,000
Indicated	1,793,000	0.405	14,536,000
Total M+I	2,077,000	0.404	16,783,000
Inferred Resource:			
Classification	Tons	Grade % U ₃ O ₈	Lb U ₃ O ₈
Inferred	1,448,000	0.411	11,894,000

Notes:

- 1. CIM definitions were followed for Mineral Resources:
- 2. The Qualified Person for this Mineral Resource estimate is Patti Nakai-Lajoie, P.Geo.
- Mineral Resources are estimated using a cut-off grade of 0.13% U3O8.
- 4. A minimum mining thickness of six feet was used.
- 5. Numbers may not add due to rounding.

The modeling and estimation of the uranium resources were prepared under the supervision of Patti Nakai-Lajoie, P.Geo. and Principal Geologist, RPA. Ms. Nakai-Lajoie is a Professional Geoscientist in the Province of Ontario and an independent and Qualified Person as defined in NI 43-101. Ms. Nakai-Lajoie visited the Roca Honda Property on May 10-12, 2011 and is of the opinion that the data verification procedures support the geologic interpretations and confirm the quality of the database. It should be noted that mineral resources, which are not mineral reserves, do not have demonstrated economic viability.



COMPUTER LOGGING INCORPORATED

URANIUM DATA ANALYSIS

CLIENT: U.R.I. HOLE NO: ADAMI#2 DATE

12-07-87

K-FACTOR= CORRECTION	"OOOO			DEADTIME	(MICROSEC	0.)= .000	000025	HOLE SIZE AND
DEPTH (FT)	RAW CPS	CORRECTED CPS	GRADE %U308	CUT #1 .020	CUT #2 .050	CUT #3 .080	CUT #4 .100	WATER CORR. GRADE
662.0 662.5	194. 223.	194. 223.	, 003 , 003	ab selly justs 1940, jejah belaf bipad kalas mus at				0.0028 0.0033
663.0	266.	266.	. 004					0.0039 0.0052
663.5 664.0	353. 638.	353. 638.	" 005 . 009					0.0093
664.5 665.0	1170. 1649.	1171. 1650.	.017 .024	.024				0.0242
665.5 666.0	1809. 1686.	1810. 1686.	"026 "024	"026 "024				0.0265 0.0247
666.5 667.0	1619. 1789.	1619. 1790.	, 023 , 026	,023 .026				0.0237 0.0262
667.5 668.0	2255. 2321.	2257. 2322.	.033 .034	,033 ,034				0.0330 0.0340
668.5	1692.	1692. 999.	.025 .014	. 025				0.0248 0.0146
669.0 669.5	999. 603.	604.	, 009					0.0088
670.0 670.5	467. 397.	467. 397.	, 007 , 006					0.0058

CUTOFF NUMBER 1

NUMBER OF HALF-FOOT INTERVALS: AVERAGE GRADE= . 027 GRADE-THICKNESS PRODUCT= . . 107 %U3O8

ORE GRADE AND GRADE-THICKNESS CALCULATION Background to Background Method (Continues)

Given Data					
Data Entered by Logger					
Calculated Data					
DATE:					
	Adami No. 2				
LOGGING ENGINEER: UNIT No.:					
PROBE No.:					
INTERVAL: Ft	0.5				
BIT SIZE: in Inches	5.125	E.			
WATER IN HOLE? (Y/N)	у				
WATER CORRECTION:	1.14861875				
STEEL PIPE IN HOLE? (Y/N)	n				
THICKNESS: in Inches	1				
STEEL CORRECTION:	1				
DEAD TIME:	2.50000E-07				
K FACTOR:	6.30000E-06				
			GRADE=	0.01714317	%eU308
			GRADE-THICKNESS=	0.14571697	
Interval Of Interest:	662.00	to		670.50	
KVD's PA-3 Adami No. 2					

ORE GRADE AND GRADE-THICKNESS CALCULATION (Concluded) Background to Background Method

		engreama te baei	1		1	1
KVD's PA-3 Adami No.	2					
DEPTH					HOLE	
					SIZE	
	GAMMA-HI			%eU308	AND	
52	CPS		GAMMA-HI	RADIOMETRIC	WATER	STEEL CASING
	PROBE		CPS,	GRADE PER	CORR.	CORRECTED
	COUNTS		CORRECTED	UNIT	GRADE	GRADE
662.00	194.00		194.01	0.0024	0.0028	0.0028
662.50	223.00		223.01	0.0028	0.0033	0.0033
663.00	266.00		266.02	0.0034	0.0039	0.0039
663.50	353.00		353.03	0.0044	0.0052	0.0052
664.00	638.00		638.10	0.0080	0.0093	0.0093
664.50	1170.00		1170.34	0.0147	0.0171	0.0171
665.00	1649.00		1649.68	0.0208	0.0242	0.0242
665.50	1809.00		1809.82	0.0228	0.0265	0.0265
666.00	1686.00		1686.71	0.0213	0.0247	0.0247
666.50	1618.00		1618.65	0.0204	0.0237	0.0237
667.00	1789.00		1789.80	0.0226	0.0262	0.0262
667.50	2255.00		2256.27	0.0284	0.0330	0.0330
668.00	2321.00		2322.35	0.0293	0.0340	0.0340
668.50	1692.00		1692.72	0.0213	0.0248	0.0248
669.00	999.00		999.25	0.0126	0.0146	0.0146
669.50	603.00		603.09	0.0076	0.0088	0.0088
670.00	467.00		467.05	0.0059	0.0068	0.0068
670.50	397.00		397.04	0.0050	0.0058	0.0058

PA-3 Documented Fluids Flow

The pictures in Slide 59 illustrate the diffusion and attenuation patterns for a disturbance introduced into a homogeneous medium. The footprint of injection and production wells in an aquifer may approach a similar pattern if the formation is relatively homogeneous, isotropic. In other words, the flow pattern of fluids, whether being injected or withdrawn, may approach a radial flow pattern. If this is the case, the well's footprint in the aquifer may approach the appearance of a circle, as opposed to that of a cigar, which may exist in the presence of extreme heterogeneities in the aquifer rock and other factors.

A 48 hour pumping test was performed in KVD's PA-3 in order to determine whether or not the Monitoring Well Ring would be effective in the detection of excursions. The locations of the wells used in the Pumping Test are illustrated in the map in Slide 60 (see arrows). The Tables in Slides 61 and 63 provide the drawdown data gathered during the test, and the maps in Slides 62 and 64 illustrate possible flow paths for the produced water, based on the data from the above Tables.

An analysis of the above data indicates that, during the pumping test, the water flowed to the pumped wells in a pattern very close to that of radial flow. This means that Goliad Aquifer wells at PA-3 are likely to impact the aquifer in every direction around each well. This fact should not come as a surprise in light of the drawdown effects observed throughout the Goliad Aquifer in the Kingsville area (see Slide 14, observe blue circle in Slides 33 and 65).

The fluid flow information gathered through the execution of the above pumping test is more than enough to infer that the Goliad Aquifer in the Kingsville area has a very large transmissibility, a fact that has been pointed to by several researchers. Slides 98 and 99 illustrate the development of an estimate of permeability for the Goliad Aquifer in Kleberg County using an Excel computer program, and based on the results of well pumping tests.





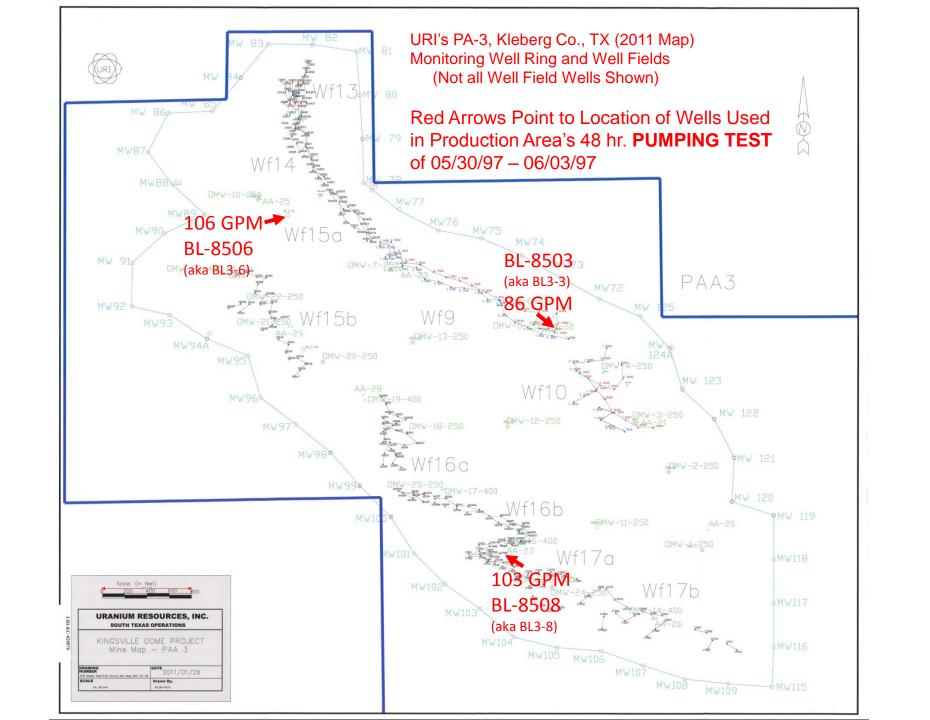


TABLE TWO

URI kINGSVILLE Project

PAA-3 Pump Test

Well Number	Role	Starting Fluid Level (Ft. MSL)	Final Fluid Level (Ft. MSL)	Drawdown (Ft.)	Nearest Pump Well	Distance (Ft.)
BL-8501	OBS.	-76.51	-83.04	-6.53	BL-8503	1741
BL-8502	OBS.	-64.10	-68.78	-4 .68	BL-8503	831
BL-8503	PUMP	-65.78	-129.16	-63.38	NA	ÑΑ
BL-8504	OBS.	-64.93	-74.65	-9.72	BL-8506	1066
BL-8505	OBS.	-68.76	-76.37	-7.61	BL-8506	983
BL-8506	PUMP	-51.67	-90.88	-39.21	NA	NA
BL-8507	OBS.	-56.08	-56.25	-0.17	BL-8508	1597
BL-8508	PUMP	-58.76	-111.40	-52.64	NA	NA
MW-76	OBS.	-65.62	-76.10	-10.48	BL-8506	1362
MW-77	OBS.	-61.14	-69.56	-8.42	BL-8506	1007
MW-78	OBS.	-66.63	-74.18	-7.55	BL-8506	744
MW-79	OBS.	-60.78	-94.83	-34.05	BL-8506	967
MW-80	OBS.	-68.67	-75.89	-7.22 —	BL-8506	984
MW-81	OBS.	-79.58	-85.96	-6.38	BL-8506	1618
MW-82A	OBS.	-69 .67	-76.25	-6.58	BL-8506	1568
MW-83	OBS.	-69.89	-76.17	-6.28	BL-8506	1567
MW-84	OBS.	-70.61	-76.65	-6.04	BL-8506	1321
MW-85	OBS.	-69.56	-75.78	-6.22	BL-8506	1166
MW-86	OBS.	-69.92	-76.06	-6.14	BL-8506	1425
MW-87	OBS.	-69.00	-74.82	-5.82	BL-8506	1389
MW-88	OBS.	-62.55	-68.49	-5.94	BL-8506	1084
MW-89	OBS.	-67.56	-74.28	-6.72	BL-8506	754
MW-90	OBS.	-67.38	-73.78	-6.40	BL-8506	1128
MW-91	OBS.	-69.69	-70.67	-0.98	BL-8506	1474
MW-92	OBS.	-65.06	-65.23	-0.17	BL-8506	1640
MW-93	OBS.	-63.83	-64.94	-1.11	BL-8506	1406
MW-94A	OBS.	-65.23	-68.43	-3.20	BL-8506	1346
MW-95	OBS.	-63.69	-68.53	-4.84	BL-8506	1333
MW-96	OBS.	-59.96	-65.40	-5.44	BL-8506	1682
MW-97	OBS.	-61.84	-67.35	-5.51	BL-8506	1926

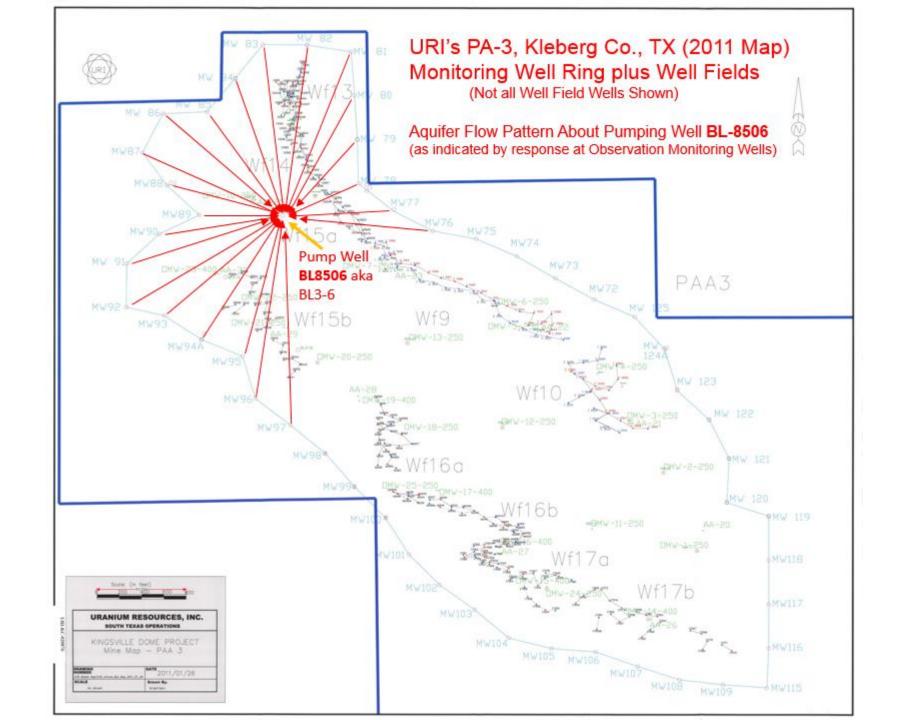
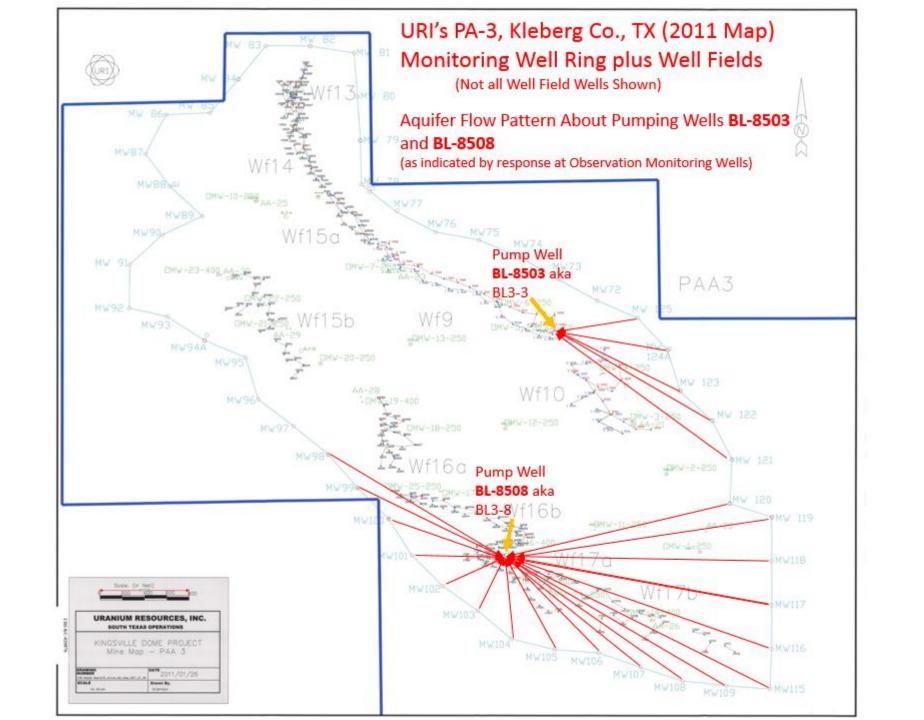


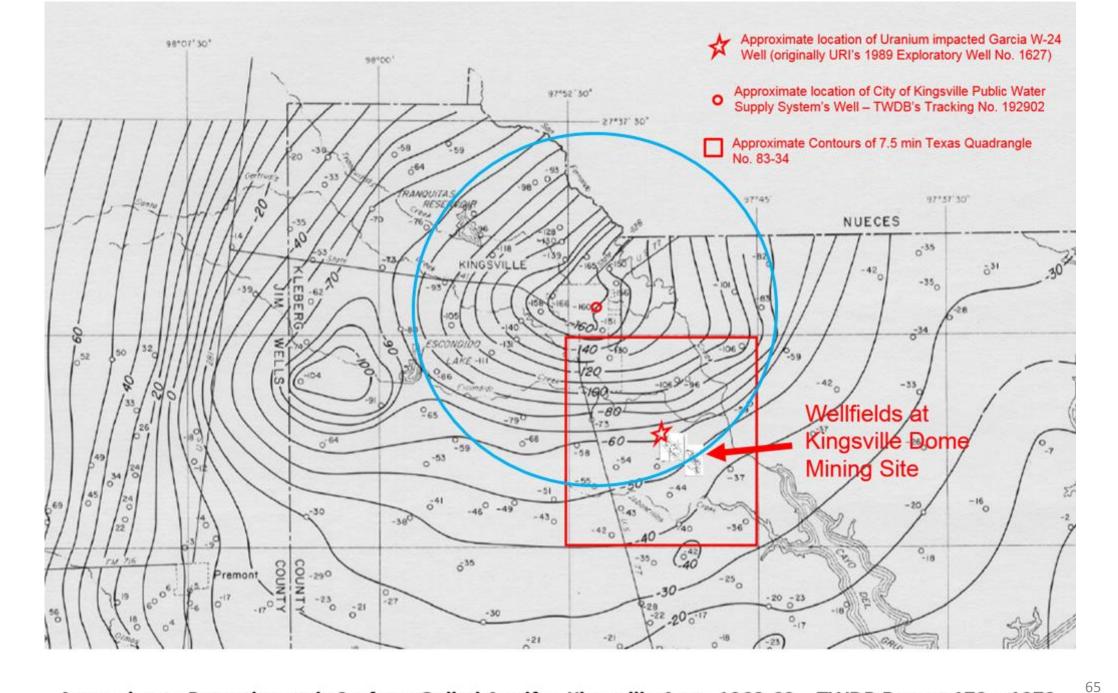
TABLE TWO

URI kINGSVILLE Project

PAA-3 Pump Test

Well Number	Role	Starting Fluid Level (Ft. MSL)	Final Fluid Level (Ft. MSL)	Drawdown (Ft.)	Nearest Pump Well	Distance (Ft.)
BL-8501	OBS.	-76.51	-83.04	-6.53	BL-8503	1741
BL-8502	OBS.	-64.10	-68.78	-4.68	BL-8503	831
BL-8503	PUMP	-65.78	-129.16	-63.38	NA	NA NA
BL-8504	OBS.	-64.93	-74.65	-9.72	BL-8506	1066
BL-8505	OBS.	-68.76	-76.37	-7.61	BL-8506	983
BL-8506	PUMP	-51.67	-90.88	-39.21	NA	NA
BL-8507	OBS.	-56.08	-56.25	-0.17	BL-8508	1597
BL-8508	PUMP	-58.76	-111.40	-52.64	NA	NA
MW-98	OBS.	-61.86	-67.58	-5.72	BL-8508	1807
MW-99	OBS.	-52.99	-58.50	-5.51	BL-8508	1434
MW-100	OBS.	-67.00	-67.17	-0.17	BL-8508	1069
MW-101	OBS.	-57.48	-63.79	-6.31	BL-8508	819
MW-102	OBS.	-57.80	-64.18	-6.38	BL-8508	623
MW-103	OBS.	-54.37	-55.80	-1.43	BL-8508	581
MW-104	OBS.	-56.31	-62.82	-6.51	BL-8508	797
MW-105	OBS.	-56.03	-62.04	-6.01	BL-8508	1007
MW-106	OBS.	-55.86	-61.32	-5.46	BL-8508	1429
MW-107	OBS.	-55.86	-60.50	-4.64	BL-8508	1633
MW-108	OBS.	-54.90	-58.81	-3.91 —	BL-8508	2007
MW-109	OBS.	-54.81	-57.66	-2.85	BL-8508	2360
MW-115	OBS.	-54.69	-57.18	-2.49	BL-8508	2722
MW-116	OBS.	-49.35	-52.10	-2.75	BL-8508	2592
MW-117	OBS.	-54.54	-58.08	-3.54	BL-8508	2484
MW-118	OBS.	-55.46	-59.39	-3.93	BL-8508	2438
MW-119	OBS.	-55.71	-59.31	-3.60	BL-8508	2458
MW-120	OBS.	-56.91	-61.11	-4.20	BL-8508	2104
MW-121	OBS.	-56.67	-60.97	-4.30	BL-8503	2001
MW-122	OBS.	-56.12	-62.81	-6.69	BL-8503	1657
MW-123	OBS.	-60.10	-68.11	-8.01	BL-8503	1270
MW-124A	OBS.	-57.21	-65.71	-8.50	BL-8503	1045
MW-125	OBS.	-57.75	-63.45	-5.70	BL-8503	773





Proof of Fluid Movement **Past** Monitoring Wells Provided by **Fluid Level Monitoring**

The cross sections in Slides 68 and 69 have been borrowed from the analysis of a deep injection well in order to illustrate a point regarding the analysis of mining operations at PA-3.

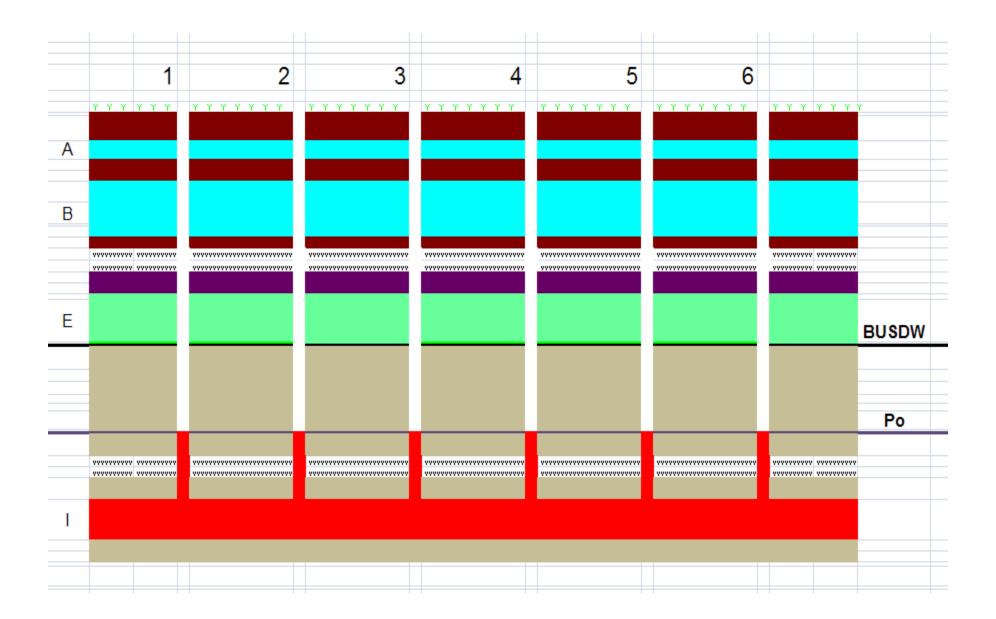
If one momentarily overlooks the effects of the pressure gradient in the Goliad Aquifer, then, in the absence of any other additional well operations, the pressure profile of the aquifer might look something like the figure in Slide 68. Slide 69 illustrates what the aquifer's pressure distribution might approximately look like in a segment of the aquifer after one injection well has operated for some time.

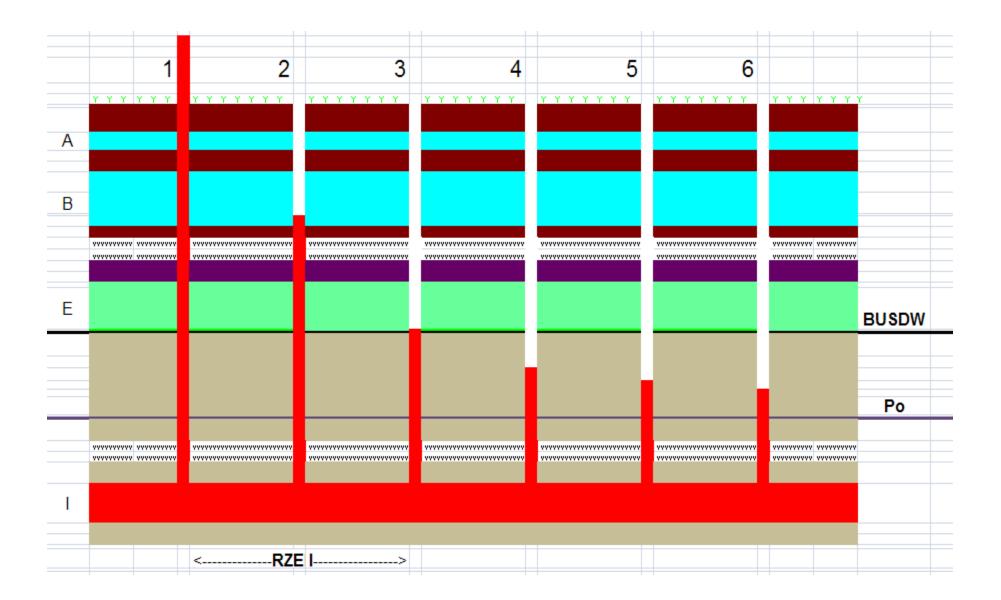
It is very important to keep in mind that these graphs, like the one in Slides 10 and 70, are not to scale, and that no effort has been made to account for the effects of the very real aquifer pressure gradient, whether natural or induced by well operations.

It was previously stated that, in the case of a Well Run in-situ solution mining operation, the aquifer's pressure profile in the area between an Injection and a Monitor Well should be expected to look like the one illustrated in Slides 10 and 70. That is, the Production Well should create a pressure sink between the injector and the Monitor Well. In the absence of such pressure sink, said aquifer's pressure profile might look like the one seen in Slide 69 (lets not forget, we are temporarily overlooking aquifer pressure gradient effects).

The pump test discussed above is one of the positive aspects of the operations at PA-3. One other positive aspect was the adoption of a Monitoring Well Fluid Level Monitoring Program. It did not come automatically but, without it, the analysis below might not have been possible.

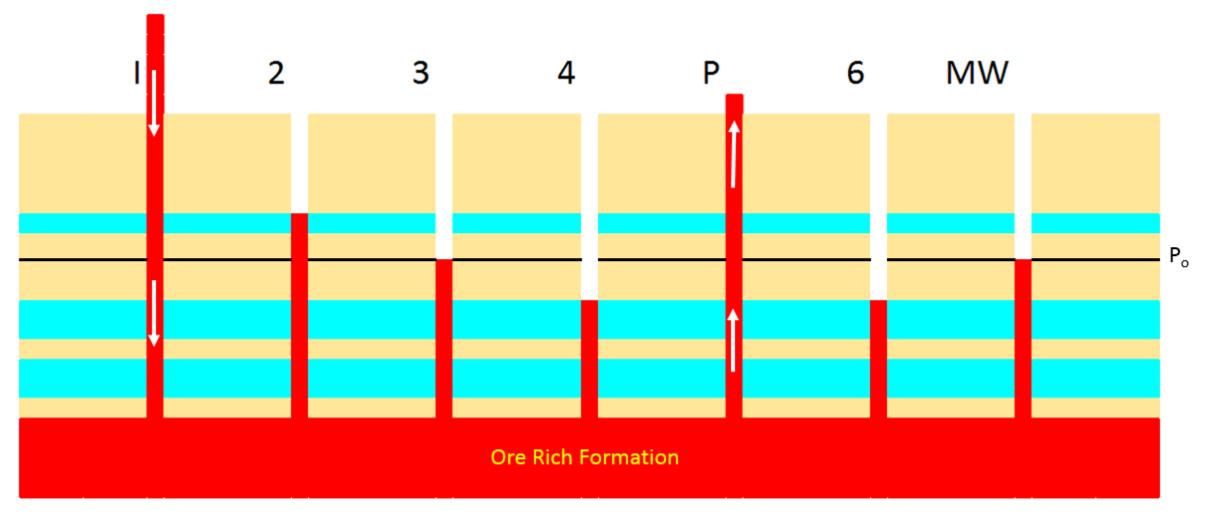
The fluid level data and analysis shown below appear to indicate that at PA-3 the prevailing pressure profile must have looked something like the one illustrated in Slide 69. Well, the observed rise in fluid levels might have been more dramatic should the public water supply system in the city of Kingsville have gone down for an extended period of time.





Hydrostatic Heads in a Well Run Uranium In-Situ Solution Mining Operation

(Graph not to Scale, does not attempt to account for Natural Aquifer Pressure Gradient Effects)



I: Injection Well
P: Production Well

MW: Monitoring Well

P_o: Initial Res. Press.



The PA-3 mining activities schedule seen in Slides 72 and 73 appear posted on the map in Slide 74, next to their corresponding Wellfields, in order to better call attention to the character of the fluid movement patterns in the aquifer during mining operations. The blue arrows seen in this Slide point to the Monitoring Wells for which periodic fluid level measurement data were tabulated for a period of time, and were made available by Mr. George Rice. It is thanks to having identified these fluid level monitoring data and data gathering points, along with the Wellfields periods of operation, that it has been possible to infer how some of the fluids moved within the aquifer during mining operations. Requests for well count and well identification data for PA-3, which might have helped refine this analysis, were unsuccessful.

Slide 75 illustrates the concept of time lapse imaging. The fluid level data for MW-91 (see blue arrow in Slide 74) seen in Slide 76 was provided by Mr. George Rice. These data have been presented as a time lapse image for this well in Slide 77. The same well is shown at different points in time (elapsed time is posted near the wellhead), and the observed fluid level change in the well is shown as a brown bar in the well schematic.

Double headed arrows below the well images show the period during which mining operations took place in a given Wellfield. The label on the double headed arrows identifies the Wellfield.

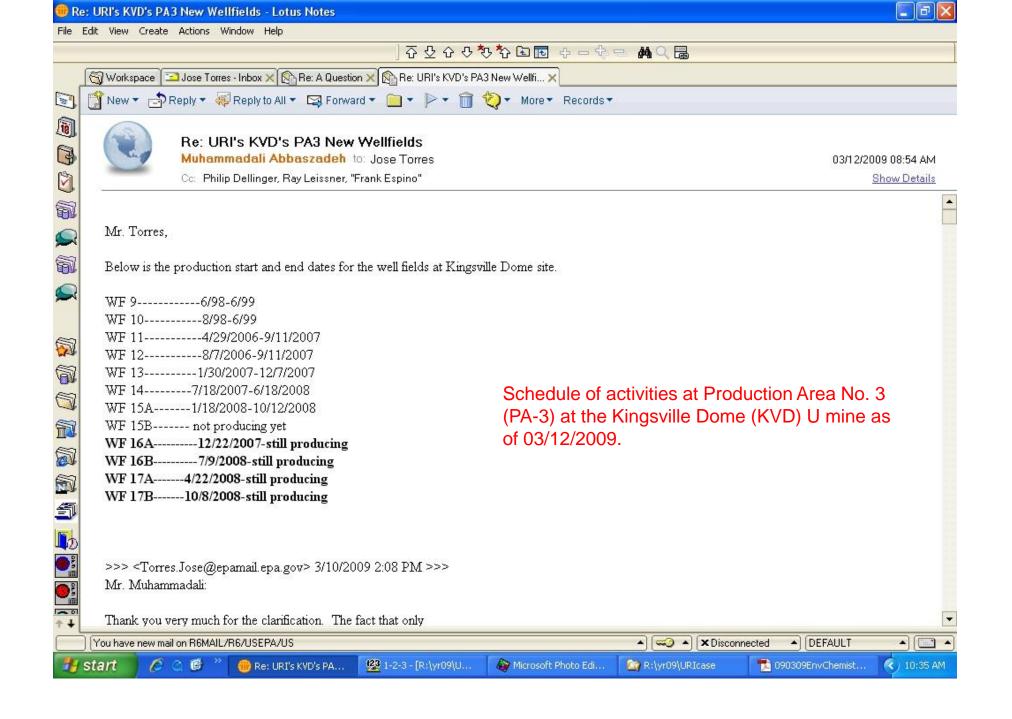
Observation of the Wellfield and well locations on the map, along with the observation of the occurrence of brown bars in the image conveys an idea of how far injected fluids may have traveled and for how long. In other words, the picture of an excursion has been painted by the time lapse image. The presence of the brown bars in this image attests to the implementation of injection activities on one hand, and to the absence of a pressure sink associated with them on the other hand.

Mr. Rice's data seen in Slide 78 has also been illustrated using the time lapse images shown in Slides 79 and 80, thus painting additional pictures of excursions at PA-3.

Another group of Monitoring Wells for which fluid level data were available is seen in the map in Slide 81 (see arrows). These data were also provided by Mr. Rice and appear tabulated in Slide 82 and have been illustrated using well schematics in Slide 83. In this case, Mr. Rice's average of the measured changes in each well's fluid level has also been shown as a brown bar in the well schematic.

A quick look at the location of the wells of interest in the map in Slide 81 (see arrows) confirms the already stated fact that, in this area of the Goliad Aquifer, wells can impact the aquifer in every direction (meaning that radial or nearly radial flow is generally achieved).

The stratigraphic columns in Slide 84 are provided to help better visualize and understand the fluid flow system at PA-3 and surrounding area.

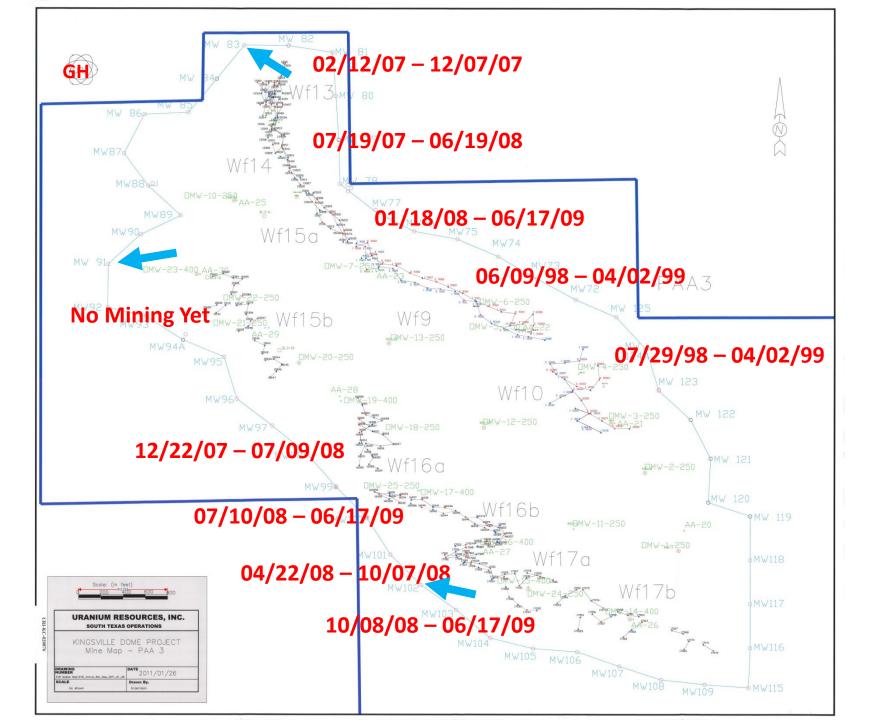


Production Schedule for KVD's Well Fields

1 Well field 9	06/09/1998 - 04/02/1999
2 Well field 10	07/29/1998 - 04/02/1999
3 Well field 11	04/07/2006 - 09/11/2007
4 Well field 12	08/07/2006 - 09/11/2007
5 Well field 13	02/12/2007 - 12/07/2007
6 Well field 14	07/19/2007 - 06/19/2008
7 Well field 15A	01/18/2008 - 06/17/2009
8 Well field 15B	No Mining Yet
9 Well field 16A	12/22/2007 - 07/09/2008
10 Well field 16B	07/10/2008 - 06/17/2009
11 Well field 17A	04/22/2008 - 10/07/2008
12 Well field 17B	10/08/2008 - 06/17/2009

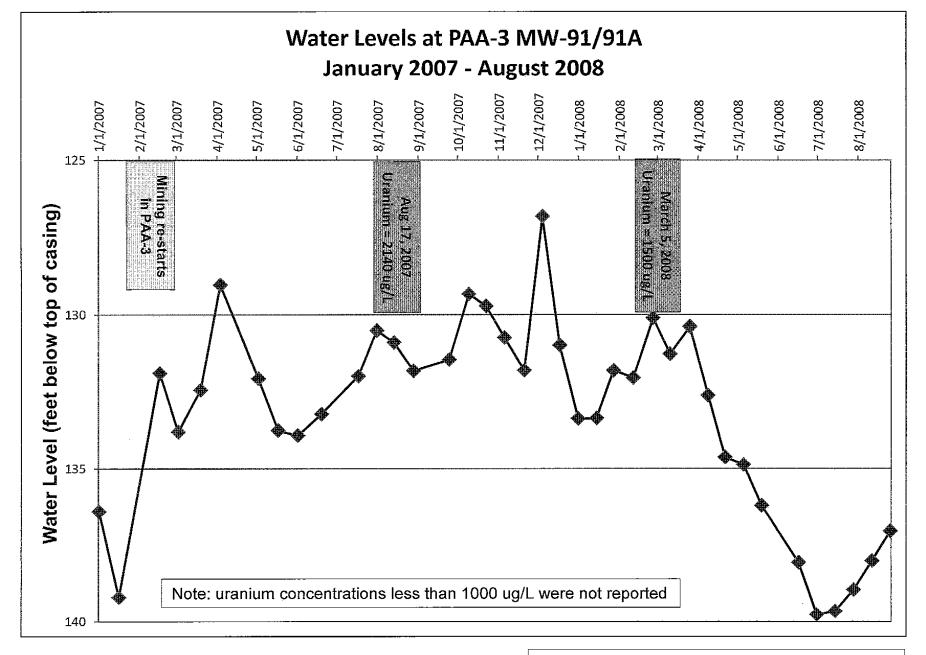
Details on Well Fields' **Mining Schedule** at Production Area 3 (PA-3).

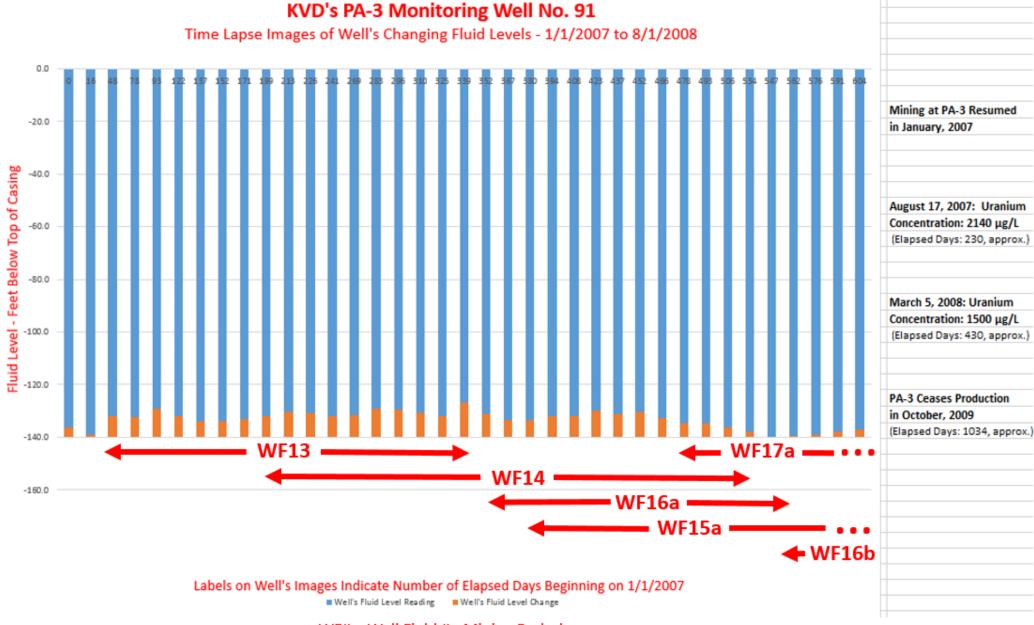
GH=Garcia Hill



An Example
Of Time
Lapse
Imaging







WF# = Well Field # - Mining Period

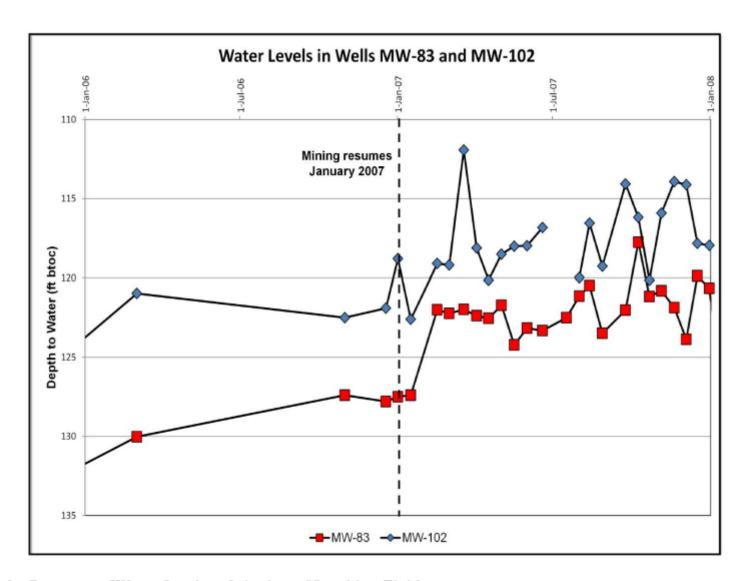
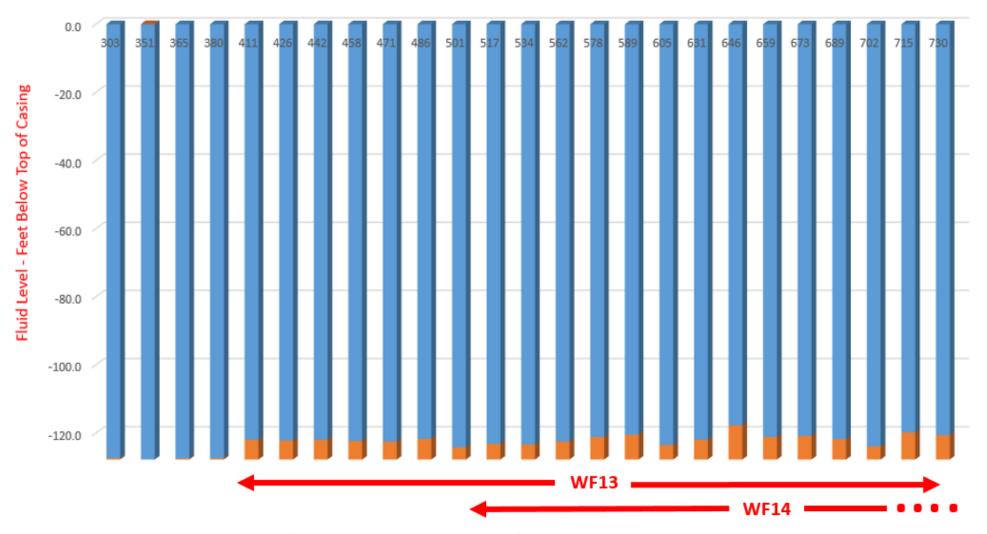


Figure 6. Response of Water Levels to Injection of Leaching Fluids

KVD's PA-3 Monitoring Well No. 83

Time Lapse Images of Well's Changing Fluid Levels - 10/30/2006 to 1/1/2008



Mining at PA-3 Resumed in January 2007

PA-3 Ceased Production in October, 2009

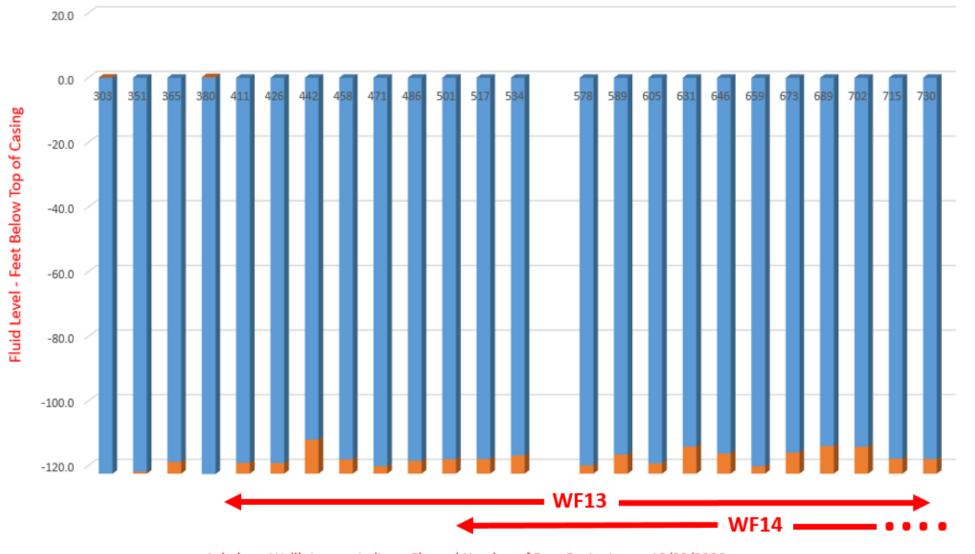
Labels on Well's Images Indicate Elapsed Number of Days Beginning on 10/30/2006

■ Well's Fluid Level Reading ■ Well's Fluid Level Change

WF# = Well Field # - Mining Period -

KVD's PA-3 Monitoring Well No. 102

Time Lapse Images of Well's Changing Fluid Levels - 10/30/2006 to 1/1/2008

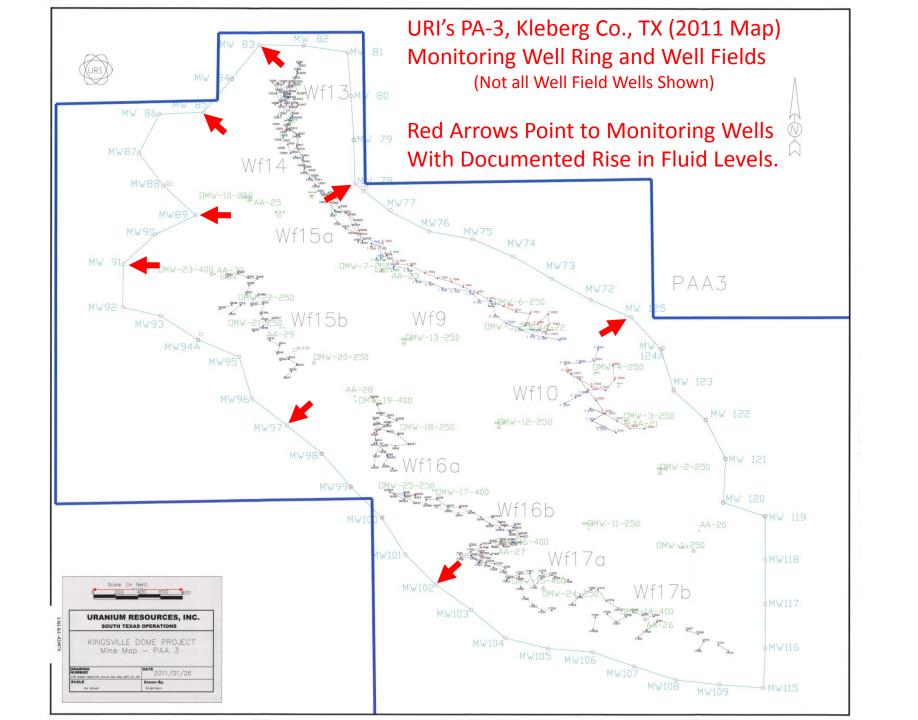


Mining at PA-3 Resumed in January 2007

PA-3 Ceased Production in October, 2009

Labels on Well's Images Indicate Elapsed Number of Days Beginning on 10/30/2006

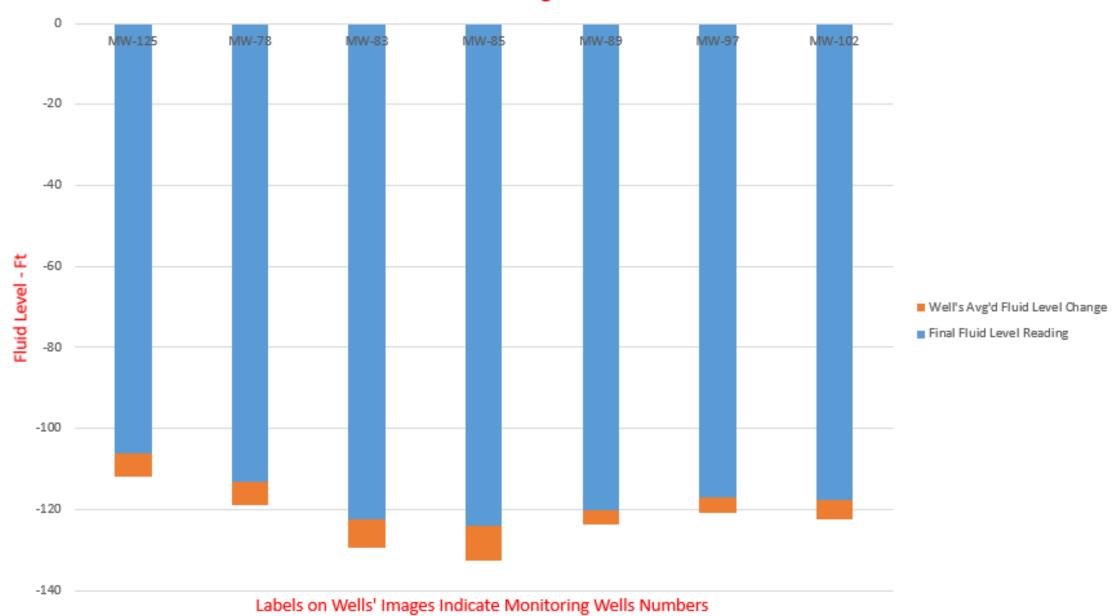
■ Well's Fluid Level Reading ■ Well's Fluid Level Change
WF# = Well Field # - Mining Period ← →

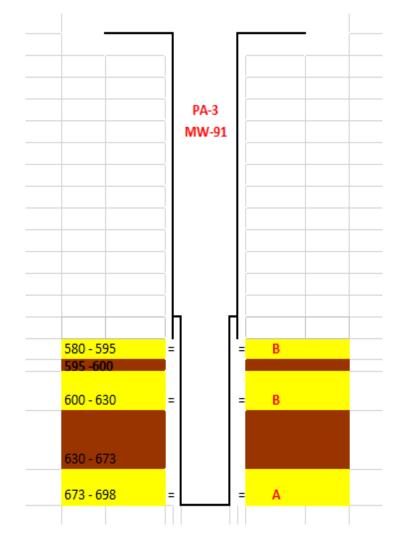


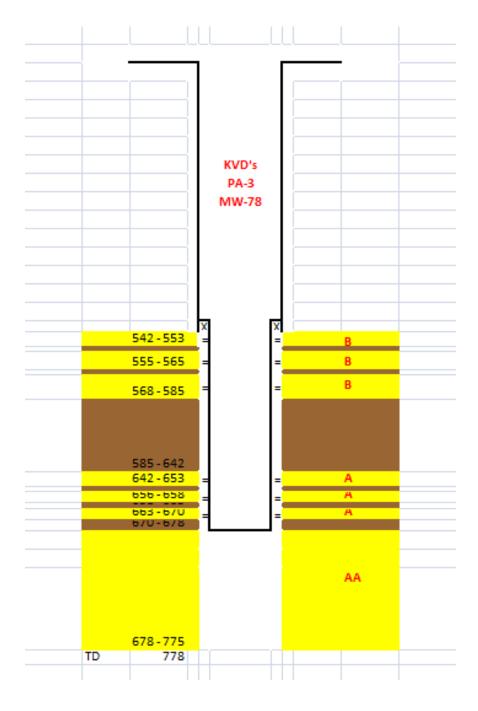
Kingsville Dome PAA-3 Monitor Well Levels

Date	MW-78	MW-83	MW-85	MW-89	MW-97	MW-102	MW-125	
03-Nov-08	113.00	120.00	127.00	120.00	119.00	119.00	109.00	
17-Nov-08	113.90	121.90	127.39	119.27	116.87	119.59	107.78	
01-Dec-08	113.60	122.08	126.81	118.96	116.59	119.64	107.39	
15-Dec-08	113.49	122.28	126.72	119.11	116.64	120.43	107.45	
31-Dec-08	113.45	122.30	127.69	119.15	116.70	120.36	107.49	
12-Jan-09	113.56	122.46	127.00	119.10	116.57	118.79	106.99	
26-Jan-09	113.60	121.80	127.07	119.35	117.07	119.70	107.23	
09-Feb-09	113.03	121.26	126.65	118.82	117.55	120.15	107.29	
23-Feb-09	113.14	121.32	127.12	119.20	117.22	120.21	107.36	
09-Mar-09	113.21	121.43	127.28	119.85	117.24	120.40	107.71	
23-Mar-09	113.90	121.95	127.35	119.43	117.50	120.60	107.60	
06-Apr-09	114.89	122.16	128.26	120.40	118.44	121.29	108.36	
20-Apr-09	115.20	122.28	128.80	120.88	118.32	121.93	108.43	
06-May-09	117.62	123.22	130.40	122.55	119.33	123.30	110.20	
23-May-09	118.27	124.96	132.74	124.54	121.52	125.19	112.04	
08-Jun-09	118.31	126.70	132.09	124.04	121.88	124.60	111.59	
15-Jun-09	118.42	127.42	133.82	124.40	121.55	125.28	111.93	
29-Jun-09	121.70	129.00	134.48	126.27	123.45	125.96	113.46	
13-Jul-09	122.49	130.92	137.00	126.80	125.01	127.25	114.85	
27-Jul-09	124.08	138.90	144.25	135.24	128.50	128.88	121.48	
10-Aug-09	134.75	140.90	146.18	136.85	129.60	129.78	122.96	
15-Oct-09	132.35	138.70	144.57	135.33	128.60	128.45	121.54	
07-Jan-10	122.90	130.70	136.40	129.05	132.50	too wet	115.80	
05-May-10	118.15	125.75	131.20	127.15	128.60	127.80	110.95	
13-Jul-10	117.60	124.95	130.60	123.50	124.10	124.15	110.55	
12-Oct-10	112.55	120.40	125.40	117.95	118.70	121.75	106.10	

KVD PA-3 Monitoring Wells Fluid Level Rise







Proof of Fluid Movement **Past** Monitoring Wells Provided by Water Quality Analysis

The bar graph shown in Slide 87 and the tabulated water analysis results seen in Slide 88 attest to the quality of the ground water in the area near Garcia Hill as that of drinking water, which calls for protection. These data could have assisted in setting meaningful Upper Control Limits for in-situ solution mining operations at PA-3, which would have made possible the early detection of excursions. The data in Slide 89 show that it was common field practice to overlook every lab result that indicated Uranium concentrations below 1.0 mg/L.

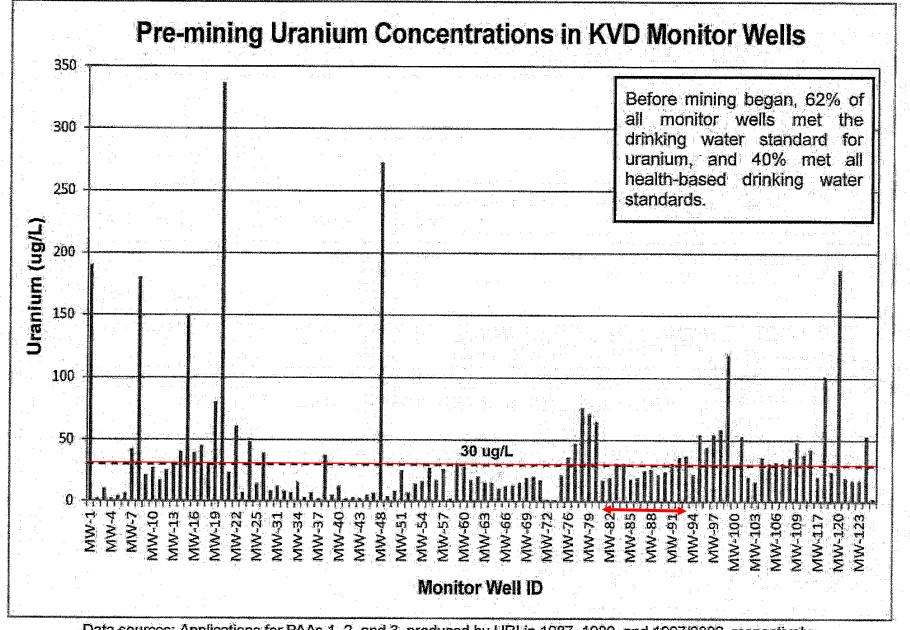
The Water Quality reports seen in Slide 89 are samples of the data source for the table in Slide 90, a portion of which was used by Mr. Rice to prepare his bar graph for five Monitoring Wells, which is shown in Slide 91. His graph highlights the presence of excursions at PA-3.

The twelve Monitoring Wells for which Water Quality Data are shown in Slide 90 are highlighted in the map in Slide 92. As was the case with the fluid level monitoring data, these Water Quality data speak loudly of the movement of fluids in the aquifer during mining operations at PA-3.

Dr. Abitz's 10/21/12 table in Slide 93 also points to the drastic changes in Uranium concentrations observed at several Monitoring Wells at PA-3, concentration changes that can only be explained through the admission to the presence of excursions. Dr. Abitz also provided the correlations between Radium and Uranium concentrations seen in Slide 94, and derived from the lab work at KVD.

In summary, the reviewed field data indicate that mining solutions from KVD's PA-3 operations have migrated into non-exempted portions of the Goliad Aquifer. This conclusion stands regardless of whether one looks at the Uranium concentrations history depicted in Slide 95 or Slide 96. They both equally speak of the same chain of events at PA-3 that led to the results that we know today.

Some other private drinking water supply wells might be impacted in years to come by the high uranium concentration solutions now migrating through the aquifer (see Slide 17).



Data sources: Applications for PAAs 1, 2, and 3, produced by URI in 1987, 1989, and 1997/2002, respectively.

Pre-Mining Uranium Concentrations in PA-3's Northernmost Monitoring Wells

Monitoring Well Number	Baseline Uranium Concentration mg/L
MW-81	0.017
MW-82	0.019
MW-83	0.031
MW-84	0.031
MW-85	0.018
MW-86	0.019
MW-87	0.025
Source: Handwritten i	notes on Operator provided map

URI Inc, Kingsville Dome PAA 3 (URO2827-031)			Company Name: Address:	650 S. Edmonds Ln. #108 Lewisville, Texas 75067
MONITOR WELL # WELLHEAD ELEV.	85 44.23	•	Phone:	(972) 219 - 3330
		CONDUCTIVITY	URANIUM	CHLORIDE
		umhos/cm	mg/l	mg/l
INITIAL BASELINE		1,820	0.018	268
UPPER LIMITS SAMPLING DATE		3,525	6.54	554
Jun-21-07		1610	<1	293
Jul-11-07		(Too Wet)	(Too Wet)	(Too Wet)
Jul-28-07		(Too Wet)	(Too Wet)	(Too Wet)
Aug-02-07		1740	0	317
Aug-15-07		1450	<1	
Aug-30-07		1420	<1	275
Sep-10-07		(too wet)	(too wet)	(too wet)
Sep-27-07		1690	<1	250
Oct-10-07		1830	0	264
Oct-24-07		1450	<1	230
Nov-10-07		1609	<1	250
Nov-27-07		1652	<1	231
Dec-04-07		1565	< 1	217
Dec-20-07		1605	0	217
Jan-05-08		1670	0	233
Jan-21-08		2000	<1	299
Feb-01-08		1948	<1	266
Feb-18-08		1964	0	286
Mar-03-08		1812	0	253
Mar-14-08		2150	0	239
Mar-27-08		2220	<1	306
Apr-15-08		1626	<1	226
Apr-26-08		1640	<1	233
May-12-08		1638	<1	233
May-27-08		2080	<1	233

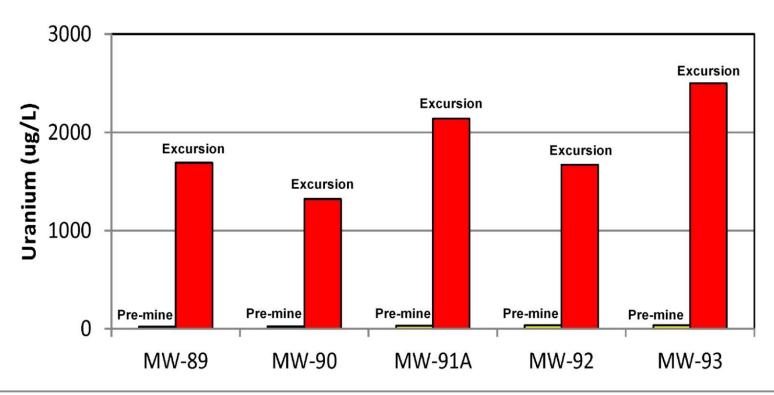
URI Inc, Kingsville Dome PAA 3 (URO2827-031)	androne como de a los à quadro d e	urran a macanina. In macanina anno an air air de dha an mar bhir a dha dhabha dhe b'Abhalan Ma	Company Name: Address:	URI, Inc. 650 S. Edmonds Ln. #108
17010 (0102021 001)			7 (dd. 000.	Lewisville, Texas 75067
MONITOR WELL#	105	_	Phone:	(972) 219 - 3330
WELLHEAD ELEV.	36.52			(,
		CONDUCTIVITY	URANIUM	CHLORIDE
i		umhos/cm	mg/l	mg/l
INITIAL BASELINE		1,710	0.031	221
UPPER LIMITS		3,525	6.54	554
SAMPLING DATE				
Jul-13-07		(Too Wet)	(Too Wet)	(Too Wet)
Jul-28-07		(Too Wet)	(Too Wet)	(Too Wet)
Aug-03-07		(Too Wet)	(Too Wet)	(Too Wet)
Aug-17-07		1520	2.32	277
Aug-31-07		(Too Wet)	(Too Wet)	(Too Wet)
Sep-05-07		(too wet)	(too wet)	(too wet)
Sep-14-07		(too wet)	(too wet)	(too wet)
Oct-01-07		(too wet)	(too wet)	(too wet)
Oct-18-07		1480	<1	236
Oct-26-07		1660	<1	245
Nov-13-07		1676	<1	238
Nov-27-07		1540	<1	219
Dec-10-07		Too Wet	Too Wet	Too Wet
Dec-21-07		1606	<1	199
Jan-05-08		1610	. 0	226
Jan-23-08		1572	<1	213
Feb-06-08		1566	<1	219
Feb-21-08		1655	0	219
Mar-05-08		1697	<1	226
Mar-14-08		1648	0	219
Mar-31-08		1650	0	213
Apr-14-08		1577	<1	206
Apr-24-08		1500	<1	219
May-08-08		1681	<1	219
May-22-08		1793	<1	239

KVD's PA-3 MONITORING WELLS

Lab Documented Excursions

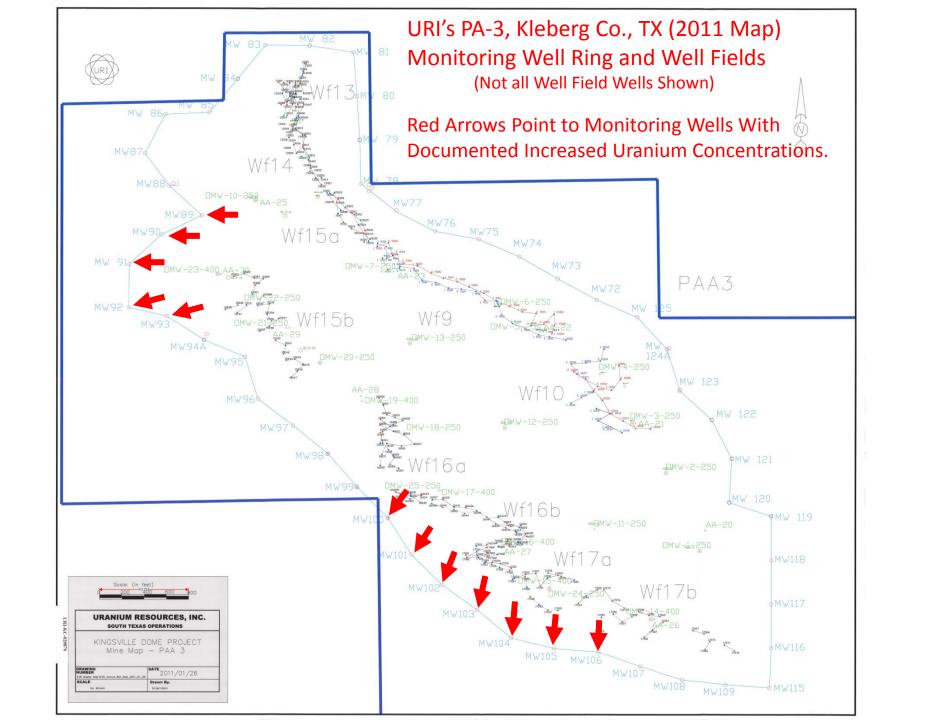
Well	Date	U - mg/L
MW89	8/17/2007	1.69
MW90	8/17/2007	1.32
MW91	8/17/2007	2.14
MW92	8/17/2007	1.67
MW93	10/11/2007	2.50
MW100	8/17/2007	3.60
MW101	8/17/2007	2.52
MW102	8/17/2007	5.17
MW103	8/17/2007	2.78
MW104	8/17/2007	2.14
MW105	8/17/2007	2.32
MW106	8/17/2007	1.26





Data sources: application for PAA-3 (URI, 1997/2002); and 2008 2nd Quarter Monitor Well Report (URI, 2008). Uranium concentrations less than 1000 ug/L are usually not reported by URI.

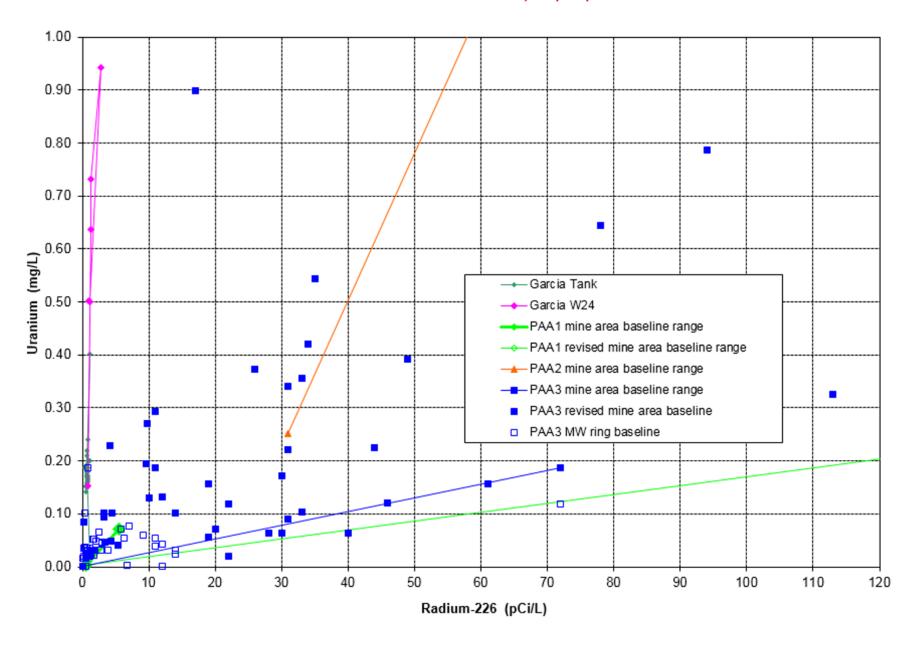
Note: Excursions shown occurred in 2007. Not reported to TCEQ because concentrations were less than excursion value defined in permit: 6540 ug/L.

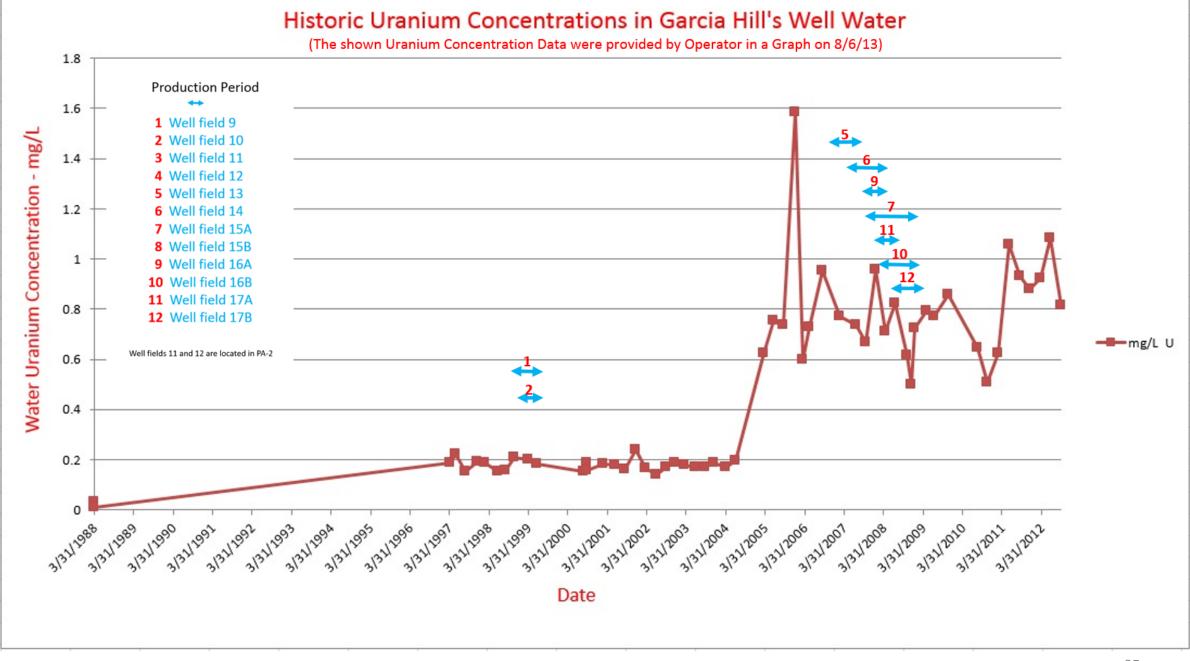


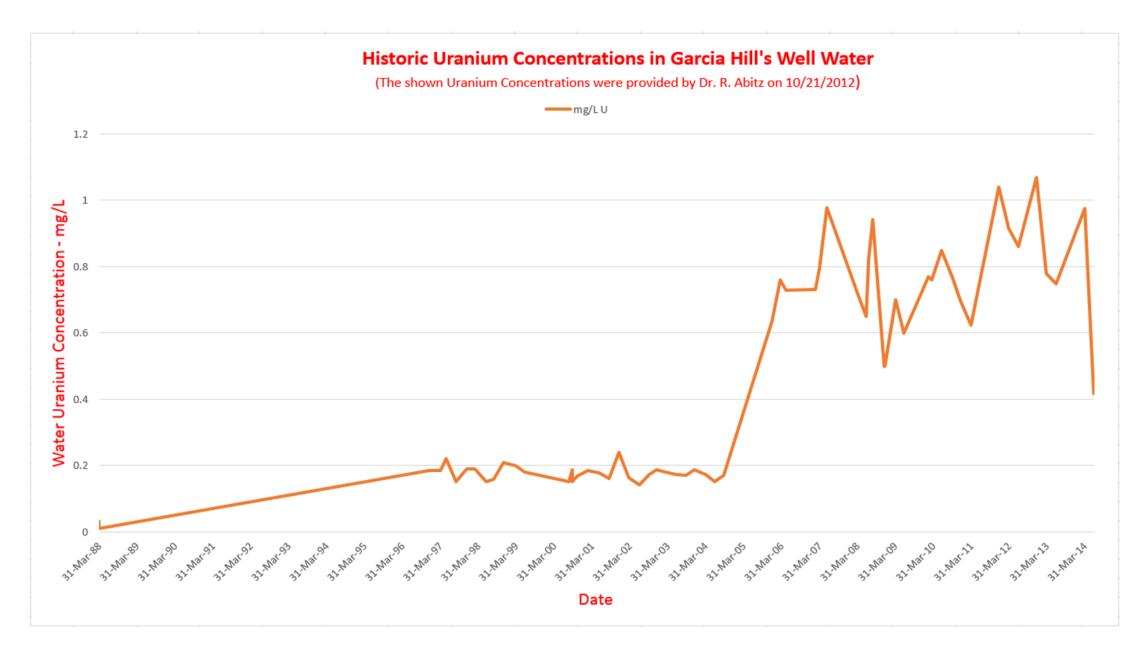
Lab Results for Base Line (BL) Wells and Monitoring Wells (MWs) - KVD's PA-3 (Table of Values provided by Dr. R. Abitz on 10/21/2012)

V	W	X	Povised h	Z aseline 4/9/02	AA	AB	AC	AD Monitor we	AE all haseline	AF	AG	AH MW contan	Al nination
								Monitor well baseline PAA3				PA	
				AA3									AS
	BL8501	18-Jun-97	0.094	Ra-226 (pCi/L) 3.3		70	28-Mar-97	0.001	Ra-226 (pCi/L)	90	10-Apr-97	U (mg/L) 0.022	
	BL8502	8-May-97	0.032	1.9		73		0.001	0.5	09	17-Aug-07	1.09	
	BL8503	12-May-97	0.101	4.4			7-Apr-97	0.021	0.6	00	40 4 07	0.004	
	BL8504	12-May-97	0.101	14		75		0.001	0.1		10-Apr-97		
	BL8505	13-May-97	0.047	3.4		76		0.036	1.2	90	17-Aug-07	1.32	
	BL8506	2-Jun-97	0.041	5.3			23-Apr-97	0.047	2.9	04	40 4 07	0.004	
	BL8507	8-May-97	0.194	9.6		78		0.076			10-Apr-97	0.031	
	BL8508	1-May-97	0.229	4.2			10-Apr-97	0.071	5.9	91	17-Aug-07	2.14	
	BL8509	13-May-97	0.084	0.3			10-Apr-97	0.065	2.5				
	BL8510	28-May-97	0.101	3.2		81		0.017	0.6				
	BL8511	6-May-97	0.049	4.3			29-Apr-97	0.019	1.2				
		27-Apr-98	0.543	35			6-Mar-97	0.031	14				
		22-Apr-98	0.899	17			11-Apr-97	0.031	2.8				
		22-Apr-98	0.224	44			11-Apr-97	0.018	0.6				
		24-Apr-98	0.421	34		86		0.019	0.3				
		27-Apr-98	0.186	11		87		0.025	0.6				
		27-Apr-98	0.293	11		88		0.026	0.8				
	9101	8-Jun-98	0.372	26			10-Apr-97	0.022	1.7				
	9103	8-Jun-98	0.131	12			10-Apr-97	0.024	14				
	9105	8-Jun-98	0.391	49			10-Apr-97	0.031	3.8				
	9308	8-Jun-98	0.787	94			10-Apr-97	0.036	0.7				
	9109	8-Jun-98	1.5			93	10-Apr-97	0.037	0.4				
	9111	8-Jun-98	0.172	30		94	11-Apr-97	0.022	1.3				
	9302	8-Jun-98	0.064	40		95	23-Apr-97	0.054	11				
	9304	8-Jun-98	0.644	78		96	15-Apr-97	0.044	2.9				
	9310	8-Jun-98	1.03	57		97	15-Apr-97	0.054	6.3				
	9312	8-Jun-98	0.356	33		98	15-Apr-97	0.059	9.1				
	9314	27-Jul-98	0.375	239		99	23-Apr-97	0.118	72				
	2022	27-Jul-98	0.063	28		100	28-Apr-97	0.03	0.9				
	2040	27-Jul-98	0.072	20		101	23-Apr-97	0.053	1.6				
	9306	8-Jun-98	1.54	51		102	10-Mar-97	0.02	8.0				
	9602	8-Jun-98	0.27	9.8		103	13-Mar-97	0.016	0.1				
	2019	27-Jul-98	0.156	19		104	28-Apr-97	0.036	0.3				
	1050	28-Jul-98	0.13	10			28-Apr-97	0.031	0.5				
	2048	27-Jul-98	0.156	61			29-Apr-97	0.032					
	2046	27-Jul-98	0.064	30			29-Apr-97	0.031	0.9				
	1030	29-Jul-98	0.121	46			29-Apr-97	0.035	0.3				
	2021	27-Jul-98	0.056	19			5-May-97	0.048	2				
	1347	28-Jul-98	0.34	31			7-May-97	0.038	11				
	2047	27-Jul-98	0.222	31			7-May-97	0.042	12				
	1050	28-Jul-98	0.019	22			7-May-97	0.042	0.9				
	1049	28-Jul-98	0.118	22			11-Apr-97	0.101	0.4				
	1114	28-Jul-98	0.110	33			11-Apr-97	0.024	1				
	1120	28-Jul-98	0.326	113			2-Apr-97	0.024	0.8				
	1032		0.320	31			11-Apr-97	0.107	0.8				
	1032	21-Jul-90	0.091	31			11-Apr-97	0.019	0.7				
							29-Apr-97		0.3				
								0.017					
							15-Apr-97 28-Mar-97	0.053	1.7 6.8				

UvsRa - From Dr. Abitz, 10/21/2012







Permeability Values for the Goliad Aquifer

The graph in Slide 98 presents the pressure distribution about a production well for four time periods. The graph was developed based on the results of a Goliad Aquifer well's pumping test in Kleberg County, and presented in the Texas Water Development Board Report No. 173 of 1973.

An estimate of the Aquifer Permeability has been obtained through the use of a solution to the diffusivity equation in order to match the Drawdown Value highlighted by the red arrow in the graph, that is, the pressure drawdown in the aquifer at 100 feet from the well, after 365 Days of operation. A Permeability Value was estimated using the Excel computer program illustrated in Slide 99.

As seen on Slide 99, a Permeability-Thickness (kh) of approximately 1.1 x 10⁶ md-Ft was indicated, which, based on information provided in the TWDB Report, translates into a Permeability Value of approximately 4980 md.

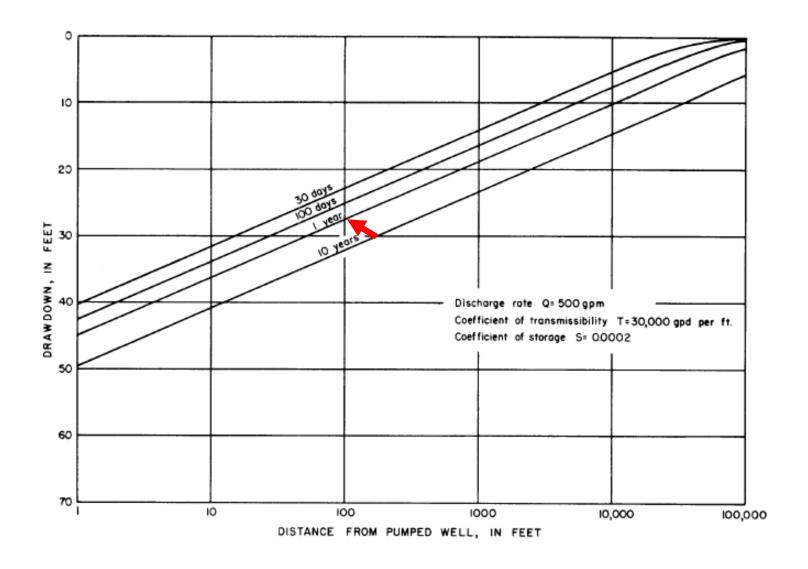


Figure 6.—Relation of Drawdown to Time and Distance as a Result of Pumping Under Artesian Conditions

FLOW OF FLUIDS IN POROUS MEDIA					
Reservoir Pressure Effects Computations					
Production Rate (STBbl/Day)	17143	Compute Diffusivity Fa	actor		
Time of Operation (Days)	365				
Initial Reservoir Pressure (psia)	400	Numerator	31.4736		
Injected Fluid Viscosity (cp)	0.76	Denominator	5.05E-07		
Formation Volume Factor (ResBbl/STBbl)	1				
Formation Porosity (Percent)	35	Diffusivity Factor =	6.23E+07		
Formation Permeability (md)	4980				
Formation Interval Thickness (Ft)	230				
Formation Compressibility (1/psi)	1.90E-06				
, ,		Compute "x"			
Specified Radius (Ft)	100			Drawdown - Ft	kh - md-Ft
Computed Pressure Change @ Specified					
Radius (psia)	-12.41	Numerator	10000	-27.29045902	1145400
Resulting Reservoir Pressure @ Specified	387.6				
Radius (psia)		Denominator	9.09E+10		
		x =	1.10E-07		
		Compute Ei(-x)			
			3.0242E-15		
			7.3915E-23		
			1.5243E-30		
			2.6824E-38		
		Ei(-x)	-15.45		

Converting a Flow Rate Given in Gals/min to Bbl/Day

$$500 \frac{\text{Gals}}{\text{min}} * \left\{ \frac{\text{Bbl}}{42 \text{ Gals}} * \frac{60 \text{ min}}{\text{Hr}} * \frac{24 \text{ Hr}}{\text{Day}} \right\} = 17143 \frac{\text{Bbl}}{\text{Day}}$$